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ABSTRACT

The research reported in this volume covers a range of topics dealing with shifting and declining enrollments and their impact on the financing, organization, and management of schools. The papers have been sorted into three groups. Section 1 discusses the demographic background to changing enrollment patterns. Section 2 presents the view from the states, including an analysis of state school finance systems and the fiscal impact of declining enrollments in four states. Section 3 discusses the management of decline and retrenchment in education. The book concludes with a chapter summarizing the policy implications of decline for local, state, and federal policy-makers. Tables of statistical data cover a variety of subjects, including birth rates, employment figures, and estimated demand for teachers. An annotated bibliography is appended. (Author/DS)

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DECLINING ENROLLMENT: THE CHALLENGE OF THE COMING DECADE

Edited by

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PREFACE

The phenomenon of declining enrollments will most likely have a greater impact on education in the next decade than any other foreseeable trend. How we in education choose to handle it will either reinforce or undo the progress we have made toward achieving the goals we have pursued during the past decade.

Demographers tell us that by the mid-1980s elementary school enrollments may have declined by as much as 18 percent since 1970. Secondary enrollments may have declined by as much as 25 percent through the 1980s. The phenomenon is further complicated by the fact that some areas of the country are experiencing and will continue to experience sizable enrollment increases in the midst of this decline, and that even within a state, enrollment patterns may vary widely. Although we cannot predict the exact magnitude of these declines or increases, I believe these figures are sufficiently startling to prompt us to make decisions now regarding the management of these changes.

For educators in many regions of the country, such warnings are superfluous. Many of us who deal with education have already seen the effects of declining enrollments and the grim alternatives that dealing with this decline entails: closing of school buildings, laying off of personnel, cutting back services to the bare bones, and placing a drain on the funds available to already poor districts because of the structure of state aid formulas.

It is too late to say we should have heeded the warnings of demographers and realize that growth was not a way of life. But I do not believe it is so late that we must completely sacrifice the gains we have made in education in the last several years. And, I feel that the research supported by the National Institute of Education and summarized in this volume, provesto be one of NIE's most timely and valuable undertakings.

From all indications, this trend of declining enrollments will continue through the 1980s; it would be negligent of anyone involved in the educational process not to take note of their findings, for they have implications for all programs at all levels in all areas of the country.

I am especially pleased to see that while the research in this volume does not attempt to gloss over the degree of hardship that can result from demographic changes, it deals with decline as a phenomenon that can be successfully handled and in some cases provide unexpected benefits. I would hate to think that an educational system that found a way to expand services to reach large groups of students we never dreamed of serving only ten years ago would not try mightily to fulfill its responsibility to maintain quality programs for fewer students.

As some of the papers reviewed here indicate, we can make decline work for us, or at least not against us. In some cases, this may mean rearranging our goals. The demographic trends responsible for decline may eventually result in a different student population, perhaps with a greater percentage of low-income children, or children from single-parent families, or of immigrant families. This may call for a stronger, and different, federal role, or a revamping of state aid programs, which is already beginning to occur in some states.

Whatever the end product, I feel that the NIE research will help ensure that our country's education system in the late 1980s will not resemble a sinking liferaft with patches stuck over the leaks, but rather that it will remain a strong, vital means of educating our citizens.

Carl D. Perkins
Chairman, Education and Labor
Committee, House of Representatives

FOREWORD

The driving force behind NIE's initiative in responding to declining enrollments was Robert J. Cunningham, an NIE Senior Associate until leaving the Institute in the summer of 1977 for the President's Reorganization Task Force in the Office of Management and Budget. His foresight in detecting declining enrollment as a trend with important current and future consequences should be applauded and recognized. He is the intellectual spirit behind this volume.

The public initiation of our work began with a conference outside Salt Lake City, Utah. We would be remiss were we not to thank the conferees for helping us identify topics meriting investigation and for providing a clearer sense of appreciation of the complexities of the issues (see Appendix 2 for a list of conference participants).

We wish to express our thanks to the contributors who not only gave permission to use their work, but also cooperated in adapting their previously prepared project reports to fit the needs of this volume. Our thanks also go to the staff who helped in editing and typing this manuscript as well as to those whose programmatic and personal support were always available to improve the quality of this product.

Susan Abramowitz
Stuart Rosenfeld

SETTING THE STAGE

Susan Abramowitz
Stuart Rosenfeld

INTRODUCTION

This collection of papers is about current shifts in school enrollment and their impact on the educational system. In 1977, when the phrase "small is beautiful" represents a burgeoning aspiration and when energy shortages, zero-based budgeting, and pollution controls are among the most pressing concerns of many policymakers, it is easy to forget the times of growth and expansion that preceded this period of decline. The problem in education today is not too *many*--it is too *few*. School closings, rather than school shortages, are making the headlines. Many of the classrooms quickly erected to meet the expanding needs of education during the 1950s and 1960s now sit empty. There are few antecedents for these problems of the 1970s and therefore educational administrators specifically and policymakers generally have been caught unprepared. To understand their predicament, the situation requires an historical perspective. One has only to think back some two decades and remember how different were the conditions and problems facing policymakers.

* * *

In 1957 America was waging a cold war with the Communist bloc countries and battling for superiority in, among other things, a space race with Russia. Each side's success was gauged by numbers: comparative figures for manpower, planes, armament, and nuclear strength were constantly being reported for the two superpowers.

At the same time, such military leaders as Admiral Rickover warned that the real race could be better measured by scientific manpower. In this area, experts projected an American deficit. In the decade between 1950 and 1960 the Soviet Union would graduate approximately 1,200,000 scientists and engineers while the United States would graduate "only" 900,000. Fears aroused by such statistics seemed confirmed when, on October 4, 1957, the Soviet launching of Sputnik shocked the United States. A solution for this embarrassing situation was urgently needed. Two weeks later Vice President Nixon, in typical cold war rhetoric, called for increased military spending and, on the economic "front," a doubling or tripling of American capital investment abroad over the next decade. Expansion was the solution.

Taking its cue, Congress, supported by the education community, quickly voted more money for science education via the National Defense Education Act and increased support of the National Science Foundation. At the same time, James Conant was beginning his study of American high schools.[1] He found, to no one's surprise, that most high schools were too small to provide satisfactory technical education and he argued that larger, more comprehensive schools were necessary to produce an adequate scientific workforce.

These contests for numerical superiority were familiar to Americans; growth and expansion already dominated the economic system. As historian Robert Wiebe noted:[2]

> Men defined issues by how much, how many, how far. Greatness was determined by amount, with statistics invariably the triumphant proof that the United States stood first among nations.

The same mentality was applied to schools, which began to be measured in terms of efficiency and output. A 1958 *Fortune* article compared the problems of schools to the production problems of the automotive industry. The schools, like General Motors, were supposed to "optimize the number of students and to minimize the input of man-hours and capital."[3] Schools and school enrollment were showing consistent growth curves, with increases extending in all directions. The percentage of youth attending schools, for example, was steadily increasing (15% in 1910; 32% in 1920; 51% in 1930; 73% in 1940; 77% in 1950; and 88% in 1957 of 14-17-year olds); the length of the school year has been extended; and the number of years the average person attended school has grown consistently. In 1957, however, the expansion was especially acute, as the post-war baby boom reached the schools. High school enrollment increased by 14 percent over the previous year. The GI Bill had inflated enrollment in higher education which already had risen steadily to 30 percent above the enrollment of a previous decade. Campuses were dotted with ugly World War II Quonset huts used for makeshift classrooms, vividly displaying the need for more facilities.

---

[1] James B. Conant, *The American High School Today*, Carnegie Series in Education (New York: McGraw-Hill, 1959).

[2] Robert H. Wiebe, *The Search for Order* (New York: Hill & Wang, 1967), p. 4.

[3] Raymond E. Callahan, *Education and the Cult of Efficiency* (Chicago, Ill.: University of Chicago Press, 1962), p. 256.

Increasing demands placed on education to help win the cold war, values embracing growth and expansion, and an entrenched educational establishment that saw a chance to boost its own professional status, all contributed to the school boom of the subsequent decade. Expansion was very much a way of life and schools were considered the gateway to success and affluence. Thus, it is not surprising that *shortages* concerned educational planners in 1957, not surpluses.

A pamphlet published in 1957 by the National School Public Relations Association illustrated contemporary attitudes and concerns.[4] It documented crises facing educators, as seen by twenty-five well-known writers, politicans, and newspeople. Some of the articles could have been written in 1977 without appearing dated. For example, one worried critic argued that schools were inferior to those of a decade earlier; an article from *Redbook* asked "what happened to the three R's?"; a *Newsweek* article indicated that lax college entrance requirements would result in devalued degrees; and an *American Legion Magazine* reprint questioned the value of a child's happiness in school and indicated that happiness can actually harm the child and destroy character.

The articles discussing educational demand, however, could not have been mistaken for articles written in 1977.

- Edward R. Murrow lamented that we have become a "have-not" nation. "We have-not enough teachers" . . . "We have-not 340,000 classrooms." He describes schools using army barracks and grim pre-fabs to overcome classroom shortages.

- A *Kiplinger* reprint described the growing needs of public education. "Total population of the United States grows so fast you lose track of it . . . Look at the new babies . . . all time high this year 4,200,000. And all signs show higher in future . . . And now for the sorry story of schools . . . already jampacked . . . already inadequate . . . yet headed for worse . . . unless more expansion soon."

---

[4] *School 1957* (Washington, D.C.: National School Public Relations Association, National Education Association, 1957).

- A *Life Magazine* editorial followed. It highlighted the following points:
    - The increase of children. Prosperity has virtually doubled the U.S. birth rate from 2 million a year in 1941 to 1955's all time record of 4 million. Result: a tidal wave of students is inundating already inadequate schools . . ."
    - Too few teachers . . . an additional 750,000 are needed in the next three years.
    - Too few schools . . . the need of 470,000 new classrooms in the next three years.

Buoyed by projections of growth and relatively good economic conditions, despite the brief recession in the late 1950s, school bond issues for new buildings and expansion proliferated to cope with these shortages (see Table 1). The scientific challenge presented by the space race could not be met in the many small or crowded schools. To provide the extended program deemed necessary to meet the challenge in the most efficient and economical way, educators advocated school and district consolidation. Consequently, the nation's 84,000 school districts in 1950 shrank to 40,000 over the next ten years; 1957 was a year of optimism; bigness ruled.[5,6]

TABLE 1

EXPENDITURES FOR EDUCATION

Year	GPN (Billions)	Expenditures For Education (Billions)	Expenditures Per Pupil (in 1974 $)
1937	90.4	3.0	274
1943	191.6	3.5	314
1947	232.8	6.6	358
1953	366.1	14.0	460
1957	442.8	21.1	557
1963	574.7	36.0	695
1967	796.3	57.2	902
1973	1306.6	98.3	1207

---

[5] National Center for Education Statistics, *Digest of Education Statistics*: 1976 Edition (Washington, D.C.: GPO, 1977).

[6] In contrast to the "ethnic of growth" permeating American thought one of the hit movies of 1957 was *The Incredible Shrinking Man*.

By the early 1960s, little had changed, either in the projections of the specialists or in the values of the populace. The Bureau of the Census published a monograph projecting educational enrollments based on 1960 census data and social indicators. To illustrate the uncertainties associated with the predictions, the Bureau presented both optimistic and pessimistic estimates. *All* projections, however, pointed to growth, which was expected to accelerate still more in the years after 1975. A few of the predictions are shown in Table 2, along with corresponding current projections taken from papers in this book.[7] The current estimates for the years 1980 and 1985, based primarily on children already born and thus relatively certain, are far below even the "low" or pessimistic estimates of a decade ago.

TABLE 2

ENROLLMENT PROJECTIONS

	Elementary School Enrollment		
	1960 Estimate		1977 Estimate
	High	Low	
1980	46,079,000	37,405,000	29,796,000
1985	52,117,000	42,362,000	29,885,000

	High School Enrollment		
	1960 Estimate		1977 Estimate
	High	Low	
1980	16,998,000	15,047,000	14,329,000
1985	19,583,000	15,569,000	13,080,000

If the high and low estimates are assumed to represent a 95 percent confidence level on the normally distributed variable of projected enrollment, then back in the mid-1960s the chance of our present projection occurring would have been on the order of 1 in 100,000!

The analysts did reluctantly admit that "a sharp change in birth rates, always possible, would produce enrollments outside these fairly wide ranges," but even as late as the mid-1960s, they saw none of the indicators on the horizon that would cause them to alter their estimates. The Women's Movement was still a few years away, women were not yet inundating the workforce, and the ZPG movement had yet to make itself felt.

---

[7] John K. Folger and Charles B. Nam, *Education of the American Population* (Washington, D.C.: U.S. Government Printing Office, Bureau of the Census, 1967), p. 66.

As the 1960s continued, educators maintained that the problems of the late 1950s still remained to be solved. For example, the National Committee for Support of Public Schools continued to lobby for, among other things, more classrooms and more teachers in 1963.[8]

> The increase over the preceding year (in the supply of new teachers) is not proportionate to the increased needs; the prospect for substantial relief from the chronic shortage is not in sight.
>
> The accumulated shortage of instruction rooms from the past years remains high despite the fact that in the last 6 years (1955-56 through 1960-61) an average of 69,100 rooms were completed.

None of this is too surprising given the pervasiveness of the belief that continued growth was in the nation's best interests and that no end could be foreseen to the era of expansion. There was an almost blind faith in America's ability to respond to social problems by spending or producing more. Economic expansion went virtually unquestioned and the public's expectations rose accordingly.

* * *

Two full decades after 1957 conditions are quite different. New problems are facing educatiors for which the experiences and lessons of the past leave them inadequately prepared. They now confront underutilization--situations traditionally associated with inefficiency. Choosing among alternatives has become more critical and more difficult as resources become more limited. The problem is amplified by the training of far more teachers than are needed and the absence of codified strategies to deal with decline.

---

[8] John K. Norton, *Changing Demands on Education and Their Fiscal Implications* (Washington, D.C.: National Committee for Support of Public Schools, 1963), p. 66.

Societal values have shifted because of the influence of the Vietnam War, a rising feminist consciousness, growing demands among minority groups for equal rights, and a resurgence of independence and individuality. At the same time, such critics and reformers as Rachel Carson, Barry Commoner, Jay Forrester, and members of the Club of Rome have focused attention on the ecological and economic perils of unregulated growth. Even supporters of growth tread lightly and speak of incremental growth and careful planning. As a nation we responded officially with energy controls, speed limits, legalized abortions, zoning laws, and countless other conservation policies. Current policy emphasizes *limits* rather than *growth*. As a people, we responded by having two children instead of four, postponing children till later in marriage, and experimenting with different life styles. Thus, the results have been not only a shift in family structure, but a net migration from cities and their surrounding suburbs to rural towns and a renewed emphasis on cultural values and community institutions.

Administrators had grown accustomed to a high degree of certainty in their budgets and to unquestioning support of their plans. The new trends and values, however, put strains on the educational system, which had been used to the financial stability normally associated with steady growth and a captive and thus predictable clientele. Fewer children has meant, all of a sudden, a smaller constituency and less public support.

But fiscal problems and population decline are not the only troubles educators have been courting in the past five years. The value of schooling itself, and of educational resources in particular, is also being seriously questioned. Beginning with the Coleman Report in 1966, its subsequent reanalyses, and Jenck's inequality study, research has failed to show that more schooling or more resources, in themselves, have measurable benefits.[9] The implication is that greater equality can be achieved by deploying resources elsewhere.

This accumulation of evidence that *more* does not necessarily mean better, accompanied by a shrinking economy, unemployment and inflation, has resulted in a set of different pressures on school districts. Most evident is the change in the education revenues of the schools. Approximately half of school districts' funds come from the state and federal governments and is distributed either directly or indirectly according to student enrollment. The percentage is growing as school finance reform precedes space. Decline thus means less money with which to operate while, at the same time, many of the fixed and semi-fixed expenses cannot be reduced proportionately. Simultaneously, voters are looking long and hard at new bond issues and budget increases for public services. Bond issues that might have easily passed a few years ago are now being defeated handily. In 1964, 25 percent of bond issues put to the voters failed; in 1974, 54 percent were rejected.[10] Taxpayer revolts in Oregon, Ohio, and Connecticut have shut down schools for weeks and sometimes for months at a time. While schools remain important, communities are not willing to pour more and more money into education for questionable marginal benefits. The strain is also apparent in the teaching profession, where thousands of teachers are being laid off and thousands more are graduating from colleges only to find no teaching jobs available. The result of all this is more empty seats, reductions in force, underutilization of capital investments, high per pupil costs, disruptions in affirmative action programs, and all the concomitant problems associated with an educational recession.

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[9] See James Coleman *et al.*, *Equality of Educational Opportunity* (Washington, D.C.: U.S. Government Printing Office, 1966); Frederick Mosteller and Daniel Moynihan, ed., *On Equality of Educational Opportunity* (New York: Random House, 1972); and Christofer Jencks *et al.*, *Inequality: A Reassessment of the Effect of Family and Schooling in America* (New York: Basic Books, 1972).

This series of papers arose out of the growing concern about such problems. Although decline was not unknown in the past, it was largely confined to poor. rural districts. But now that it has reached the children of the suburbs and the cities, attention to it has expanded accordingly. Decline is now a full-fledged policy issue demanding the attention of educational planners. The papers that we have included in this book are intended to shed some light on the problems of preparing for declining school populations.

OVERVIEW OF THE BOOK

The research reported in this volume covers a range of topics dealing with shifting/declining enrollments and their impact on the financing, organization, and management of schools. The reason for all the interest in this topic is the sudden precipitous decline in births. In the last eighteen years the number of births in the United States has declined 28 percent, resulting in a 10 percent decrease in elementary school children. This decline will continue to be felt in secondary schools until the late 1980s, since the high school enrollment, having peaked in 1976, is expected to ultimately decrease by 25 percent.

The papers that follow have been sorted into three groups. Each group constitutes a section of the book and chronicles a separate dimension of the overall topic. Section I lays the groundwork with a discussion of the demographic background. Section II presents the view from the states. Section III discusses the management of decline. The book concludes with a chapter on problems and priorities.

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[10] National Center for Education Statistics, *Digest of Education Statistics*, U.S. Department of Health, Education and Welfare (Washington, D.C.: Government Printing Office, 1977) p. 71

Section I: Demographic Background

Section I begins with a chapter by Davis and Lewis discussing how demographers determine the future population trends. Although the number of deaths and migration patterns are taken into account, population predictions depend primarily on the expected number of births, this being the most volatile variable of the bunch. Davis and Lewis (Chapter I) choose the Census Bureau's Series II estimate of an average birth rate of 2.1 children per woman as the most likely estimate for the next twenty years. If this estimate is indeed accurate, there will be a 19 percent increase in the 5-13 year old population between 1980 and 2000. However, even this increase will result in a school population almost ½ million less than 1969's peak enrollment of 37.1 million. The picture for secondary education is much less sanguine. Enrollments are expected to decline until 1990, followed by a 6 percent increase in the last decade of the century.

The changes in birth rate will ultimately affect the age distribution of the country's population: the population will grow older; there will be a small increase in minorities (from 12.9 to 14.8 percent); and more people will be leaving cities to live in rural areas. The authors predict that as population growth slows and the structure of the population changes, economic growth also will slow, revenues will be reduced, and budgets will be tighter. Consequently, they expect a mind set geared to decline to dominate educational thinking, increasing the likelihood of a sluggish response when enrollments again begin rising.

Following this overview of the demographic prospects in the next twenty years, the second chapter by Fishlow goes into more detail about the assumptions upon which population predictions are based. Fishlow believes that the Series II projection of a completed family size of 2.1 children is the most likely for two reasons. First, it is becoming increasingly difficult to adequately support families with more than two children, given the current economic slowdown and the exacerbated competition for jobs by members of the baby boom cohort. Second, many more women want to fulfill personal goals (as opposed to societal defined norms) through occupations outside the home. Thus, increasing numbers of women are reluctant to settle down and raise a family or prefer to keep their family small.

Fishlow also discusses the likely impact of population trends on post-secondary institutions, whose enrollments heavily depend on both the size of the 18-24 year old population and their rate of enrollment. Over the past years we have witnessed nearly continual growth in both the college age population and the rate of enrollment. Both were especially high in the 1960s. However, future trends suggest that post-secondary enrollment growth will cease and be replaced by decline in the 1980s, because of the fall in the birth rate which began in the early 1960s.

Citing a Carnegie Council study, Fishlow suggests that not all types of institutions of higher learning will endure through this decline. The institutions best able to survive decline in enrollments will be those which are now well-managed and whose administrators are willing and able to plan for flexibility in their academic programs and in the use of their resources. Those institutions will then experience rapid (but short-lived) growth in demand as the 1980s "echo" of baby boom births reaches college age around the year, year 2000.

The enrollment pattern in non-public schools is generally similar to public school trends--it is diminishing, according to Erickson, Nault and Cooper's discussion in Chapter III. The percentage of students attending non-public schools decreased from 13.6 in 1959-60 to 11.4 by 1969-70. The trends varied significantly, however, among types of non-public schools. The overall decline was attributable to a large drop in Catholic school attendance (which accounted for 76 percent of the non-public enrollment in 1975-76), yet enrollment in most of the other categories of non-public schools grew between 1965 and 1975.

Because attendance in Catholic schools accounts for such a large percentage of private sector enrollment, the authors discuss in some detail the various factors contributing to its decline: weakening religious and ethnic motivations; higher costs brought about by demands for smaller class size and better trained teachers; diminution of religious distinctions in efforts to obtain state money; migration of Catholics to the suburbs, with their higher-quality schools; and reduction in Catholic family size. The rate of decline, however, seems to have been curtailed, probably because of a number of new policies initiated by the church such as the establishment of cooperative programs with public schools and other parochial schools to achieve economies of scale, expansion of services, and the broadening of enrollment patterns among inner-city Catholic schools to include non-Catholics--particularly blacks and Spanish surnamed students.

Among the other non-public groups, the Lutheran-Missouri Synod has experienced the largest decline, attributed to growing liberalism within the church. Most other religious groups have shown modest to major gains in attendance. The evangelical schools, the Jewish Day schools, the Episcopal schools, the free schools, and the independent schools have grown over the past decade. However, their total enrollment is still quite small in comparison to public school enrollment,

Much of the enrollment gain of non-public non-Catholic education has been attributed to discontent over desegregation. It is estimated that about 750,000 students in southern states attend schools that have emerged since the 1964 Swann decision to avoid court-imposed integration.

Non-public school enrollment is also on the upswing because of such factors as the following: protest against perceived features of public education, including lowering of standards and inadequate emphasis on basics; excessive permissiveness or too much rigidity in the public schools; new emphasis of ethnic and religious pluralism; and desire for greater control over the education process. Since many proponents of private education believe that the private sector is a bellweather for the public sector, the handwriting may be on the wall for public education.

Another sector which will be especially hardpressed is the nation's urban centers. The statistics presented by Bins and Townsel in Chapter IV illustrating the demographic flux in cities are quite stark. From 1960-70 there has been a 13 percent *decline* in the number of whites living in central cities with a concomitant 40 percent *increase* in the number of blacks during the same time period. These figures mask the differential nature of within-ethnicity population flux: while white families with children are moving out, younger whites aged 20-24 are moving into urban areas in increasing numbers. There is also an uneven distribution of blacks in the urban population: whereas the percent of urban blacks in their early twenties is relatively low, it is quite high for those 5-14 and 25-40.

This population fluidity was bound to be reflected in school enrollment figures. The peak enrollment year for the school systems in the Great City network was 1970-71; by 1975-76, enrollment had declined precipitously to what it had been in 1962-63.

The problem of enrollment decline for urban areas is not just a matter of fewer students. The cities are becoming increasingly populated by lower income, minority families whose children usually are more difficult to educate because of their disadvantaged background. In addition to the tremendous needs of such children, cities suffer from other pressing problems due, in large part, to a dwindling tax base caused by chronic un- and under-employment, small business failures, large business disinvestment, and massive emigration of middle- and high-income population groups.

Bins and Townsel illustrate the complexities of the situation by citing the problems faced by different cities. Voters in Cleveland, for example, have seen their taxes increased by 137 percent since 1964, while the assessed valuation of real estate and public utilities has declined from 1.97 billion to 1.81 billion from 1965 to 1973. Thus, the increase in the millage rates has been dissipated to some extent by the shrinking property tax base. Philadelphia is another case in point. The city and school district suffered a combined cumulative deficit of $90 million in 1976. Whereas the school relies on property tax income, the city need rely only on its wage base. Although wage income is increasing, the assets from property are waning, leaving the school system in a particularly precarious position.

The tales of woe can be replicated from city to city, especially for those urban areas in regions of the country hard hit by the recent economic recession. And because school fiscal matters are often inextricably tied to those of its government unit, both units often founder together. Bins and Townsel argue that cities, in comparison to their suburban neighbors, are more hard pressed because of greater service needs required by a lower income, more densely settled population and higher municipal administrative costs. On the average in the thirty-seven largest SMSAs, cities spent approximately 40 percent more than their suburban counterparts for both education and non-education-related expenses. While education expenses have remained a fairly constant one-third of the total facilities from 1957-70, they accounted for slightly over half of suburban budgets in the same time period.

Due to the greater burden urban areas bear in supporting public services and their consequent inability to provide adequately for education, the authors believe that states, through finance mechanisms, and the federal government should increase assistance to cities. Whether one believes in the concept of "municipal overburden" or not, it is clear that urban managers do. And this perception of education as a stepchild in the community may be as pernicious, were it a reality.[11]

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[11] For a recent review of the municipal overburden argument, see Aaron Gurwitz, "The Financial Condition of Urban School Districts: A Federal Policy Perspective" (Santa Monica, Calif.: The Rand Corporation, January, 1978).

Section II: The Fiscal Effects of Decline: The View from the States

The most direct impact of decline is on school budgets. All state-aid systems include allocations either directly or indirectly related to student count. Thus, during a period of enrollment decline, state funds are reduced in proportion to a district's loss of students.

According to Leppert and Routh (Chapter V), nineteen out of the thirty-seven states which have experienced enrollment decline, plus ten states which have not, use one of several provisions to either discount or forestall the loss of state aid to districts. These provisions are distinguishable by the fact that they create a buffer period that serves to cushion the impact of decline and as such are essentially variants of "hold harmless" schemes. While some mechanisms guarantee continuing support despite decline, others require that districts make downward expenditure decisions as student enrollment declines continue.

Chapter VI by Odden and Vincent investigates some correlates of decline. The authors examine the magnitude of the problem, both statewide and on a school district basis, by analyzing the type of school district affected; the wealth, tax rate, and state aid characteristics; the effects on expenditures and personnel; and the effect on the minority composition of school districts.

Their results indicate that the greatest decline has occured in the elementary grades, in very large and very small districts, and in central cities. While the south and southwest are enjoying a boom and the northeast is relatively stable, the midwestern, mid-Atlantic, and Pacific Coast states are suffering decline. To complicate matters further, both enrollment declines and increases may occur simultaneously in the same state.

A curious picture emerges. Districts with large declining enrollments spend greater than the state averages per pupil for total, instructional, operational, and maintenance-of-plant and fixed expenditures. Declining enrollment districts also are marked by above-average property wealth per pupil, tax rates above or equal to statewide averages, and above-average state-aid per pupil. In trying to make sense of this data, it has to be remembered that any per pupil measure will increase with a decrease in students. In all likelihood, this explains the above-average property wealth of districts with the most statewide decline. Contrary to expectation, however, the amount of state-aid per pupil is still markedly high for the declining enrollment districts. Whether this is merely an artifact of the yardstick or an indicator of state provision mitigating decline is unclear.

There is another anomaly in the data. Declining enrollment districts seem to tax themselves beyond what one would expect for property wealthy districts with a decline in students. One explanation for this is that urban areas probably make up a large number of the districts experiencing the most decline and they usually tax themselves heavily to support the services they provide. The Odden and Vincent chapter supports the proposition that the relationship between decline and various financial indicators for cities is unique. Examination of measures of fiscal wealth in cities which have suffered declining enrollments indicates that the loss of demand for school services has simply changed the cities' position from one of great disadvantage to one of lesser disadvantage.

The implication for state policy suggested by Odden and Vincent is that if a state decides to provide for a declining enrollment factor, it may be best developed in the context of equalization formulas to ensure that districts helped by a declining enrollment factor are those which need help rather than those which have simply lost students.

This point is highlighted in Chapter VII by Wilken *et al.*, who studied the fiscal and programmatic effects of decline in Iowa, which has had a greater relative enrollment loss than any other state between 1972 and 1975. Their investigation indicates a *minimally* adverse impact of declining enrollment for two different reasons. First, enrollment losses have been concentrated in districts with the greatest fiscal resources to deal with them. Second, decline occurred in the wake of school finance reform initiated by a legislature which realized that it could assume increased responsibilities for school revenue-raising without the burden of additional state taxes since the number of children needing services was decreasing. Since the reform resulted in a massive increase in state-aid to most Iowa districts, regardless of decline, many districts were better able to survive the dislocations of declining enrollment than they would have under the old inequitable funding system.

Another finding of this study is that both increasing and decreasing enrollment school districts perceived the impact of enrollment change on the quality of specific services similarly. This suggests that factors other than declining enrollments may be causing problems at the district level.

Although decline has had mixed effects, the authors contend it has failed to result in any major shifts in the quality and character of local school services. Districts claim that decline inhibits innovation and expansion, but they also report their adjustments to it have yet to result in program cutbacks. What seems to be occurring is a renewed interest in reorganization of local attendance areas and grade divisions and in school district consolidation.

Section III: Managing Decline

In Chapter VIII, Berman and McLaughlin step back from their several years of investigating how previously-funded change efforts are implemented in schools and contemplate how decline approximates what they learned about change in their past research.[12] They believe that the management of decline will be exacerbated by the tendency of districts to employ short-term solutions rather than developing long-term planning strategies; to avoid conflict; and to attempt to reverse or undo decisions made during expansion.

Districts, however, can avoid some of these pitfalls if they learn to manage the change required by enrollment decline much as they had to learn how to implement change during the more halcyon days of the 1960s. Successful implementation of changes, the authors believe, requires an understanding of the process whereby reform is adopted, implemented, and ultimately institutionalized. All three stages require sufficient community and staff participation to guarantee a long-lasting base of support. They suggest that symbolic attempts of reform can be avoided by such strategies as staff development, the efficient use of specialists, and budgetary systems which provide options rather than assuming automatic and arbitrary cutbacks.

On the other hand, Chapter IX by Keough results from the actual experiences of a practicing superintendent who has been involved in not only managing decline, but also in advising colleagues in similar positions around the country. Keough's report details the trauma a Long Island community suffered in attempting to implement one of the most frequently employed solutions to enrollment decline--closing a school.

Besides problems of facilities usage, superintendents can expect basic personnel problems. Continuing drops in pupil-teacher ratios, fewer younger teachers, decreases in chances for advancement, and legal problems entailed in RIF procedures are all basic personnel problems that managers need to deal with. In addition, how the quality of a system's educational program will be affected must be considered. One of the greatest hazards is "indecision and perennial drift--a condition which, for many, seems preferable to difficult policy decisionmaking." The decisions are difficult: should programs be cut, faculties consolidated, taxes increased, deficits run? Keough discusses the pros and cons of each as stragegies for solving the vexing problems of decline.

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[12] Paul Berman & Milbrey Wallen McLaughlin, *Federal Programs Supporting Educational Change*, (Santa Monica, California: The Rand Corporation, 1975).

The effects of decline on teachers is bound to be direct and immediate, as Chapter X by Rosenberg and Vincent points out. Even though pupil-teacher ratios are being reduced, the teaching market is drying up and colleges continue to oversupply an already saturated market. Supply and demand figures for the 1970s show that the demand for new elementary and secondary school teachers in 1974 was less than half the supply. Even though the supply is waning and fewer students are choosing education as a field, the imbalance is expected to persist for some time. The prospects for higher education are particularly gloomy. The number of people in the traditional college-age group will decline 25 percent between 1980 and 1994, causing enrollment to drop by 1.8 million. In order to accomodate this smaller number of anticipated students, total faculty size could be reduced by as much as 100,000. If this is the case, total academic demand, in fact, will only be one-third the supply.

Rosenberg and Vincent contend that women and minorities, already disproportionately distributed in education, may bear the brunt of retrenchment. They comprise an unusually large proportion of pre-school and elementary school teachers, a smaller proportion of high school teachers, and very small numbers of administrators. In addition, minority employees tend to be concentrated in service, clerical, and aide positions. The same holds at the college level, with fewer women and minorities holding professorships, tenure, or administrative positions. In addition, there are noticeable disparities in earnings between sexes, between races, and between sexes within races for teachers at all levels of the education system. With retrenchment, whatever gains have been made may begin to slip for minorities and women.

Seniority and tenure are the two policies that wreak havoc with the once dependable education employment ladder. Because of past and present discrimination, women and minorities are less likely to have equivalent seniority with white males in job positions to which they may have recently gained access. The question unions are now beginning to face is how to maintain their principles without compromising recent achievements of affirmative action programs. The courts have recognized both absolute seniority and retroactive seniority--time added for those denied jobs in violation of the Civil Rights Act. The courts notwithstanding, the responsibility will probably fall to the unions to negotiate contracts balancing the rights of women and minorities against those accruing for age and experience.

Chapter XI provides a different perspective on the problems of decline by looking at one likely response--increased competition for students. We speculated that a decrease in the supply of students would serve as an incentive for schools to compete for students. Moreover, we expected that competition would be most likely to occur among schools serving the same population--high schools, adult schools, and community colleges. Zusman and Weiner, in their case studies of three California school districts, found these suspicions unsupported. Institutions serving the same clientele do not actively compete for more or new students. Rather, the three districts could be better distinguished by the level of conflict within them--the "suspicion, resentment, and antagonism" resulting from "a perceived threat of territorial invasion and the fear that enrollments might be lost."

Note, however, that it was not declining enrollments which precipitated this increased level of conflict. Instead, an overall *expansion* of adult enrollments was the major cause. The authors also found substantial differences in levels of conflict among different communities, which they attribute to a number of largely idiosyncratic factors. Changing patterns of service, aggressive and committed adult school program directors, and a community college's challenge of an adult school's monopoly are all examples of situations which increase the level of conflict among the various interested parties without *ipso facto* resulting in any institution's active competition for students.

The book concludes with a chapter summarizing the policy implications of decline for local, state, and federal policymakers, and with an assessment of the course that future research might profitably take.

CHAPTER I

THE DEMOGRAPHIC BACKGROUND TO CHANGING ENROLLMENTS AND SCHOOL NEEDS

Russell G. Davis
Gary M. Lewis

INTRODUCTION

The elementary and secondary schools of the United States, after a period of enrollment growth, are currently in a period of declining enrollment. There probably is growth ahead, but it is the contrast between the current decline and the past boom that most influences present plans and policy analysis. From 1950 to 1970, elementary school enrollment grew from 22 million to 37 million, while secondary school enrollment more than doubled, from 6.5 million to nearly 15 million.[1] With student enrollments in primary and secondary schools increasing rapidly, the total number of instructional staff also increased, from 960,000 in 1949-59 to over 2,200,000 in 1969-70; and post-secondary education programs expanded to meet the demand for trained teachers.

New elementary and secondary schools were built to accommodate the larger number of students, and bond issues were passed to expand and improve facilities. Unadjusted total expenditures of all public elementary and secondary schools rose from $6 billion in 1950 to over $40 billion in 1970, while per pupil total expenditures (adjusted to 1971-72 purchasing power) increased over two-fold.[2] The time was clearly one of growth--in school enrollments; in teacher and administrative staffs; and in training programs for them; in investment in plant and equipment; and therefore in local, state and federal funding for education.

The struggle to cope with growth created an implicit expectation that growth would continue. Administrators and school boards were caught with rising enrollments, crowded and outmoded facilities, and teacher shortages. Given the burgeoning economy, increasing revenues, and expandable budgets, the answer was to build, recruit, and stay out in front of growth. The times created an expansiveness of mind lasting well beyond when the demographic signs indicated that growth was slowing. Demographers who consulted on school projections in the late 1950s and early 1960s discussed early indicators of changing conditions, but immediate and contrary evidence of the senses in the form of parks and sidewalks swarming with small children was too persuasive. Even those administrators who credited the less vibrant evidence of demography, had long-term commitments in capital budgets, tenured staffs, and board members with children in school ready to vote the money. Things boomed through the 1960s. The children were there and the enrollments were rising, even in K-8, all through the decade.

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[1] National Center for Education Statistics, *Digest of Educational Statistics* (Washington, D.C.: U.S. Government Printing Office, 1975), Table 3.

[2] *Ibid.*, Table 34.

In 1970, total enrollments in elementary schools began to decline, ending two decades of educational growth powered by increasing student enrollments. This chapter will analyze projected changes in enrollments to 1990. Because changes in population provide the basis for changes in school enrollments, the parameters and dynamics of population change will be discussed. Population projections of the U.S. Bureau of the Census will be reviewed; the age, sex and racial structures derived; geographic distribution of the projected population analyzed; and enrollment shifts resulting from population changes traced. Finally, the likely impact of changing future enrollments on education systems will be assessed.

The boom that slowed down in the 1970s left a lingering mind-set toward growth. It will be interesting to speculate whether the reverse will happen in future years. With decline in enrollments, and slowed expansion in plant, equipment, staff, and expenditures likely to persist for several more years, will a new upturn and growth appear, only to run against an expectation that the pattern of decline will continue?

There is growth ahead, not as spectacular as in the old days, but enough to merit foresight and planning. This chapter will first preview future growth, then provide a more detailed analysis of the future population and enrollment situation, and explore the expected consequences for schools and educational programs.

FUTURE POPULATIONS AND ENROLLMENTS IN PREVIEW

Demographic analysis can provide credible estimates of school enrollments to 1990, as shown in Table 1.1. This rough projection provides useful perspectives for planning and policy. However, additional features of the population and enrollment structure must be derived from an analysis of the dynamics of population change over

TABLE 1.1

PROJECTED ENROLLMENTS IN GRADES K-12 IN THE UNITED STATES FOR SELECTED YEARS, 1974-1990[1]

GRADE	Enrollment in Year (in thousands)			
	1974	1980	1985	1990
K	2,672	2,431	2,950	3,172
1	3,527	3,179	3,783	4,200
2	3,540	3,194	3,579	4,095
3	3,691	3,416	3,462	4,074
4	3,793	3,546	3,250	3,902
5	4,036	3,611	3,226	3,879
6	4,045	3,485	3,124	3,677
7	4,092	3,447	3,181	3,519
8	4,108	3,487	3,330	3,353
Total, K-8	33,504[2]	29,796	29,885	33,871
9	4,034	3,552	3,480	3,191
10	3,964	3,657	3,409	3,050
11	3,653	3,501	3,083	2,765
12	3,669	3,619	3,108	2,870
Total, 9-12	15,320[2]	14,329	13,080	11,876

[1] Estimated on the basis of Series II projections of the U.S. Bureau of the Census and age-grade ratios from the U.S. Census of 1970. Series II is one of three Bureau of the Census population projection series. It is considered the most reasonable choice at this time.

[2] In the fall of 1974 there were an estimated 34.4 million enrollees in K-8 and 15.6 million in grades 9-12. See National Center for Education Statistics, *Digest of Educational Statistics* (Washington, D.C.: U.S. Government Printing Office, 1975), Table 1.

SOURCES: U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, "Projections of the Population of the United States, 1975 to 2050" (Washington, D.C.: U.S. Government Printing Office, 1975); and U.S. Bureau of the Census, *Census of Population: 1970*, Subject Reports, Final Report PC(2)-5A, "School Enrollment" (Washington, D.C.: U.S. Government Printing Office, 1973), p. 119.

the intervening years. This will provide both a reasoned basis for the changes previewed in Table 1.1 and richer details about age, sex, ethnic, and geographic factors. Given that platform, something useful can be said about the kind, as well as the number of people the schools must serve.

The response that schools make in future years will be centrally influenced by the numbers and kinds of people that education must serve. Given present attendance policies and assuming no profound changes in the graded structure of the system, future enrollment in grades K-8 will be largely determined by the population in the 5-13-year-old age group.[3] By 1977, the first age cohort of children who will make up the age group 5-13 and the enrollments in K-8 for the year 1990 will be moving toward entry age and promotion through the grades.

The notion of a mind-set toward growth or decrement has been mentioned. Table 1-1 at first glance supports this view of decline in grades K-8 in the years ahead to 1990. There is a marked enrollment decline projected from 1974 to 1980, and a small increase between 1980 and 1985. By 1990, enrollments in grades K-8 are projected as only slightly higher than in the base year, 1974. A closer look at single-year enrollment projections provided in Appendix A indicates that kindergarten enrollments begin to edge up in 1980 and increase steadily over the remaining years of the forecast period to 1990. The increase will begin in first-grade in 1981, and move up in subsequent years through all eight grades.

If the population forecasts are reasonable, school administrators will have to plan the provision of staff and facilities for slight increases of kindergarten enrollment beginning as early as 1980. Increased enrollments will appear in the first-grade in the following year and in the higher grades in succeeding years. Increased enrollments in the early grades will begin and run for some years in the midst of a general decline in K-8 enrollments. School administrators will have to communicate this two-way dynamic to school boards to ensure provision of adequate resources. State and federal officials could assist by providing information about and interpreting this change to local officials. Population projections indicate that growth in enrollments will occur. To assess the adequacy of the basic projections, however, requires analysis of the dynamics of population growth. The three components of the dynamic are: fertility, which affects births and hence new entrants a fixed number of years ahead; mortality, which affects deaths; and migration, which has a small regular effect nationally, but may have large effects on local school enrollments.

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[3] Measures such as the repeal of compulsory attendance would clearly affect future enrollments, but lie outside the domain of the projections included in this chapter.

POPULATION DYNAMICS: THE BASIS OF CHANGING ENROLLMENTS

Births: Past and Projected

Changes in national enrollments in elementary and secondary schools (Table 1.1) relate directly to changes in the school-age population of the United States, which in turn is largely the result of changes in the annual number of births. A birth cohort will enter kindergarten at approximately age five. Figure 1.1 indicates the magnitude of past births, as well as the number of births projected in the three series of U.S. Bureau of the Census population projections.[4] The essential differences among the three population projections result from the different assumptions of fertility rates. Series II represents a future in which the two-child family is the norm. Series I represents a tendency toward a three-child family, and Series III represents an increased tendency toward the one-child family. Series II is the projection selected by the Bureau of the Census as "appearing at this time to be a reasonable choice."[5]

To rearticulate, births in the United States generally rose between 1940 and 1960. This "baby boom" brought rapid increases in elementary and secondary enrollments during the 1950s and 1960s. Since 1960, annual births have been falling, with only an occasional slight upswing. The declining birth trend has caused declining enrollments, first in elementary schools and later at the secondary level.

While school systems in the United States are currently in the midst of declining elementary enrollments, Bureau of the Census population projections indicate that this will end and be replaced by increasing births and enrollments. The decline in annual births is projected to end in the mid-1970s, and births are again expected to rise. There are some indications that the upswing in births has already started, but this trend is by no means established. Provisional figures from the National Center for Health Statistics show that 3,126,000 children were born from July 1, 1975 to June 30, 1976.[6] This is up from the recent low point of 3,112,000 births in fiscal year 1973. Figure 1.1 shows that there have been upswings of this magnitude or greater (e.g., the 1968-70 period) during the general

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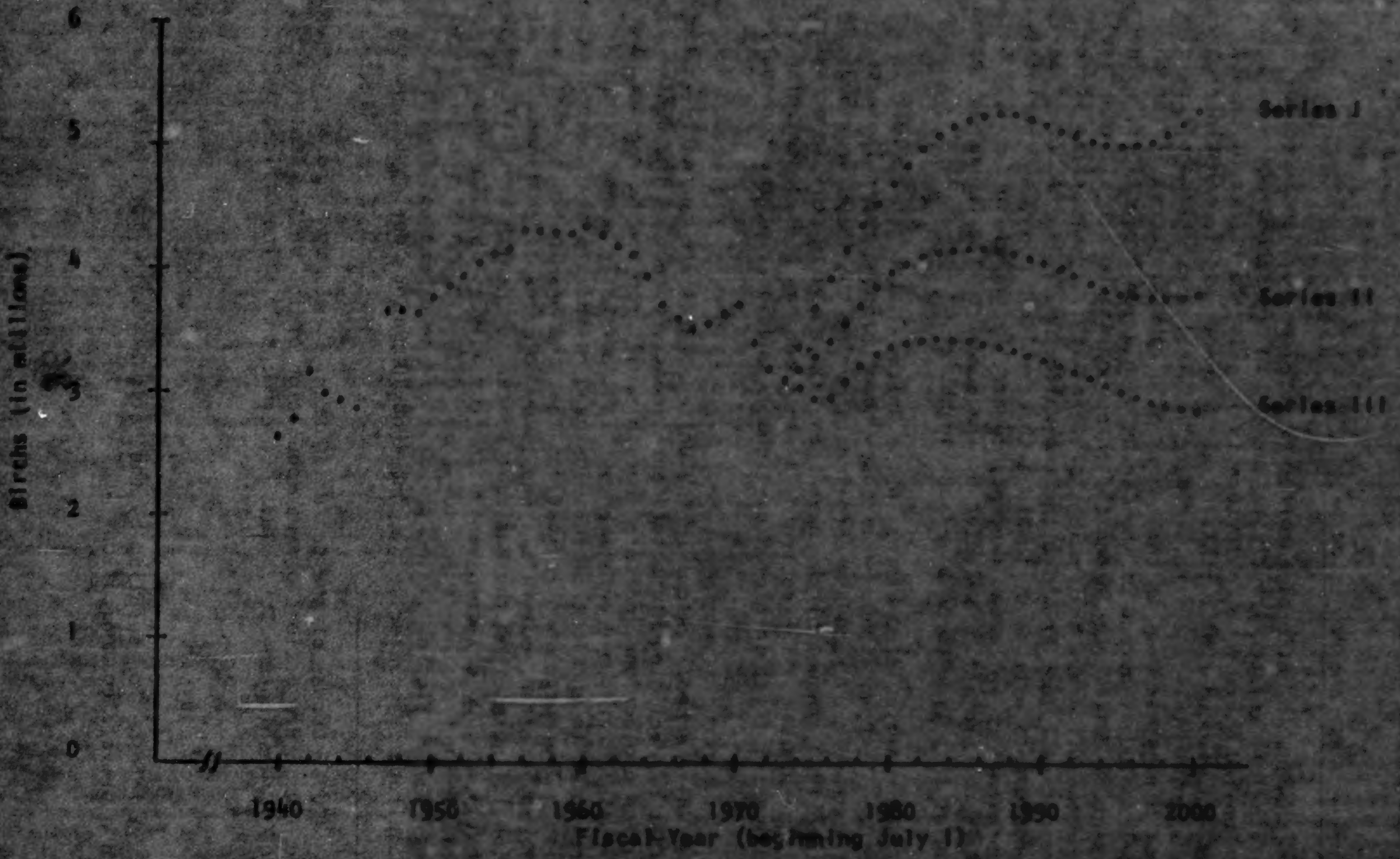
[4] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, "Projections of the Population of the United States, 1975 to 2050" (Washington, D.C.: U.S. Government Printing Office, 1975), Tables 1 and 2.

[5] *Ibid.*, p. 21.

[6] Information supplied by the National Center for Health Statistics in a private communication.

Figure 1.1

Total Births in the United States, 1940 to 1973, and Projected from 1974 to 2000



Sources: U.S. Bureau of the Census. Current Population Reports, Series P-25, No. 601, Tables 1 and 2.

decline from the high point in 1960.[7]

Demographers also have some evidence from specific areas or sub-groups of the population to support the view that births are rising, and that this is a trend and not a mere fluctuation. In California, live births increased from 297,800 in 1973 to approximately 311,600 in 1974. The significance of this as a reflection of changes in fertility has been analyzed by Sklar and Berkov and will be examined later.[8]

Fertility Rates and Birth Expectations

In projecting any population change, the components of change are births, deaths, and migration. Births, however, remain the single most important component to be estimated. The total number of births in any given year depends on the number of women in childbearing years and their fertility. The total number of women in childbearing ages can be accurately predicted, barring any major disruptions in mortality. Estimating fertility rates is considerably more difficult. Since fertility is critical to projecting the number of births, it is important to analyze factors contributing to changes in fertility rates and to future trends. ("Fertility rate" refers to general fertility rate which, in the United States, is births per thousand women in the childbearing ages; i.e., 15-44 years.)

Fertility rates in the United States have declined steadily since 1957 (see Figure 1.2). The decline has been variously attributed to changes in employment, work roles, and career aspirations of women, more liberal abortion laws, postponement of marriage, higher rates of divorce, increased use of reliable contraceptives, and concern about the environment, resource limits, and overpopulation. The combined effect of these many factors has not been systematically analyzed, and fertility remains a very difficult variable to project into the future.[9] [10]

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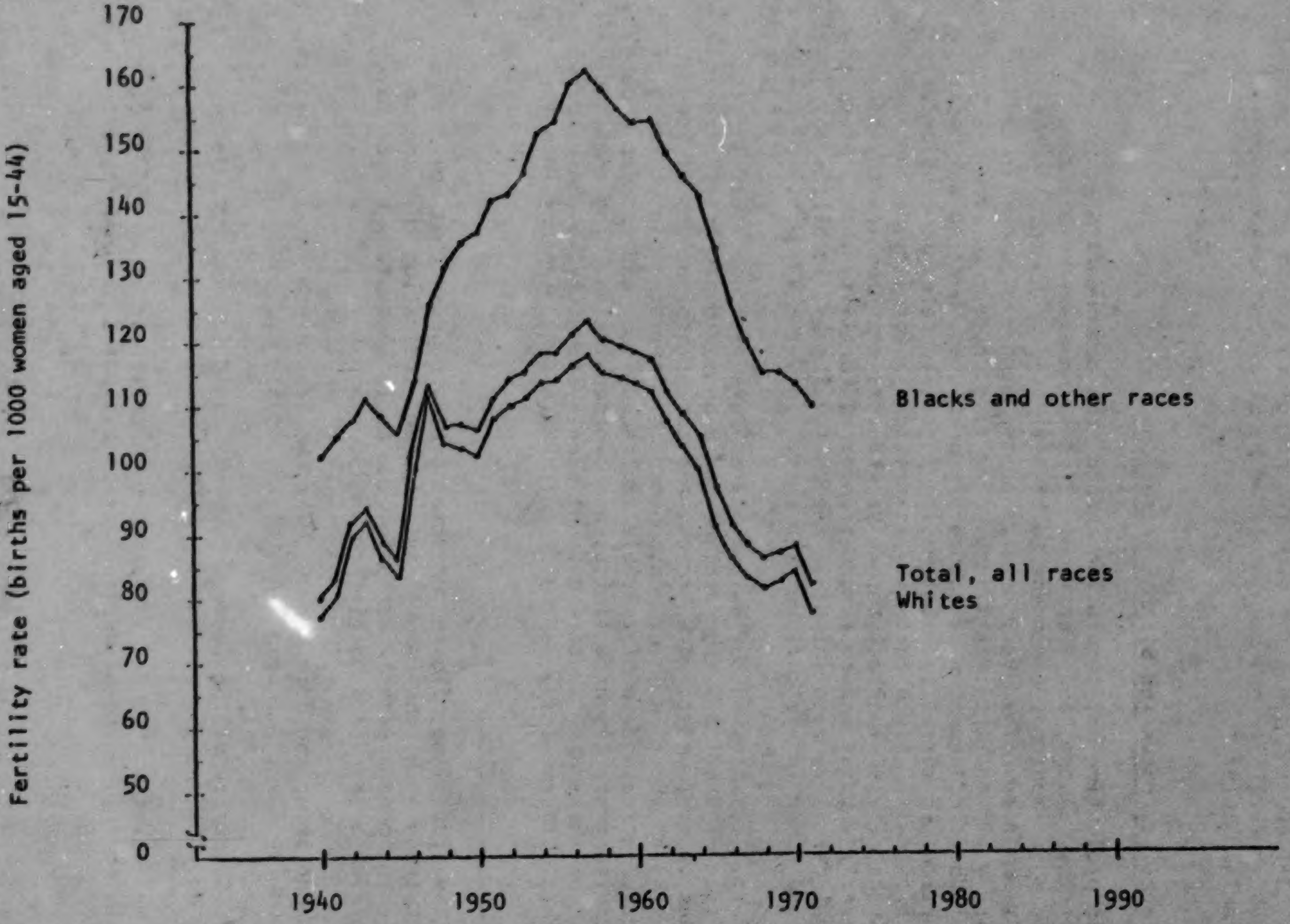
[7] The provisional figures on total births suggest that no clear upward trend in births is well established, indicating that the upward enrollment trends expected for the early elementary grades may be delayed a few years until the mid-1980s.

[8] June Sklar and Beth Berkov, "The American Birth Rate: Evidences of a Coming Rise," *Science* (August 29, 1975), p. 695.

[9] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, p. 5.

[10] Neither the extended increase in fertility prior to 1957, nor the recent lengthy period of decline were anticipated by demographers. See *Ibid.*, p. 16.

Figure 1.2
Fertility Rates in the United States, 1940-1971



Source: National Center for Health Statistics, Vital Statistics of the United States, 1971. Vol. I -- Natality. Rockville, Md.: 1975.

Changes in employment of women are clearly related to fertility. Since 1957, when fertility rates in the U.S. began to decline sharply, female participation in the labor force has rapidly increased. In 1960, the female labor force of 23 million women 16 years and older comprised 32.3 percent of the total U.S. labor force.[11] By 1972, the number of women in the labor force had increased by 10 million and their representation in the labor force had risen to 37.4 percent. In 1972, 43.3 percent of all women 16 years and older were in the labor force, a rise of 6.0 percent from 1960.[12] As women increasingly entered the labor market, fertility rates declined.

Future availability of employment for women and individual decisions about the desirability of entering and remaining in the labor force will affect fertility rates. Increased availability of jobs would depress future fertility. Economic projections, however, do not indicate that the U.S. economy or work force will be growing rapidly in the 1980s.[13] Even before the recent rise in unemployment began in 1974, the Bureau of Labor Statistics (BLS) projected slowing economic growth, starting around 1978 and continuing through the 1980s. The recent decline in births is a major element influencing the BLS projections of economic growth. With a decreasing rate of growth in the population 16 years and over, the labor force will grow less rapidly. With fewer producers, the BLS predicts that in the period 1980-85, real gross national product will grow at a reduced rate, compared to the period 1968-80. With slower economic growth, BLS forecasts reduced growth in female participation in the labor force. During 1962-70 women made up 60 percent of the net increase in the labor force, but from 1972 to 1985, women are expected to account for only 46 percent of the net growth. This will still mean some 42 million women working by 1985, however. This version of the economic future is consistent with fertility rates which will no longer continue to decline rapidly.

The observed trend of fertility decline can also be associated with the postponement of marriage that occurred during the 1960s. In 1960, the percent of single women aged 20 to 24 years was 28.4, but by 1973, the figure had risen to 38.3, indicating that over the decade, a substantial number of young women were postponing the age of first marriage.[14] Since most births occur within marriage, the postponement of marriage depresses the fertility rate, producing a clear inverse relationship between the age of first marriage and the ultimate level of cohort fertility.

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[11] Denis F. Johnston, "The United States Economy in 1985: Population and Labor Force Projections," *Monthly Labor Review* (December 1973), Table 2.

[12] *Ibid.*, Table 3.

[13] See *Monthly Labor Review* (December 1973), pp. 3-42.

[14] Sklar and Berkov, "American Birth Rate," p. 693.

The post-1970 decline in fertility does not seem to be caused by marriage postponement as much as by decline of fertility within marriage. The U.S. Bureau of the Census remarks that "the decline appears to reflect both a postponement of fertility and a decline in lifetime fertility among women now in the young childbearing years."[15] In 1974, about 56 percent of the United States women 15-19 years old who were ever married were childless.[16] In 1960, the figure was 44 percent. This indicates that in 1974 couples were waiting longer to have children.

To get at the dynamics of future population changes, it is necessary to go beyond present and past fertility rates. Stated birth expectations of American women are used to assess the direction of change in future fertility levels. Since 1967, the U.S. Bureau of the Census has regularly conducted surveys of future birth expectations of American wives. The data from these surveys indicate that younger American wives increasingly favor the two-child family in contrast to the larger family sizes perferred in the past.[17] Table 1.2 shows that in 1974, 73 percent of the 18-24-year-old wives of all races indicated their total expected lifetime births would be two or fewer. This contrasts with the earlier figure of 45 percent in 1967, and complements the reduction in the percent of wives who expected 3 or more children over their lifetime. Similar trends are noticeable for the age group 25-29 years.

The high percentage of black wives 18-24 years old expecting zero or one birth over their lifetimes must be considered along with the fact that black women tend to have more unwanted pregnancies than white women.[18] The fertility rate of black women has been higher than that of whites (see Figure 1.2), and has not been converging rapidly in the most recent past. However, birth expectations of young black wives are almost the same as those of young white women and fertility rates of the two groups can be expected to converge more in the future.[19]

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[15] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, p. 5.

[16] U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 277, "Fertility Expectations of American Women: June 1974" (Washington, D.C.: U.S. Government Printing Office, 1975), p. 4.

[17] *Ibid.*, p. 1.

[18] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, p. 22.

[19] U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 277, Table 1.

TABLE 1.2

TOTAL LIFETIME BIRTHS EXPECTED BY RACE: FOR REPORTING WIVES 18 TO 24 YEARS OLD AND 25 TO 29 YEARS OLD, 1967 AND 1974

Survey Date, Age, and Race	Total Lifetime Births Expected (Figures in Percent)			
	0 or 1	2	3	4 or more
18 to 24 Years Old				
1974, All Races	17.0	55.7	19.4	7.8
White	16.4	57.1	19.1	7.4
Black	25.9	42.0	20.8	11.3
1967, All Races	7.4	37.1	29.8	25.7
White	7.0	37.5	29.6	25.9
Black	10.6	33.1	32.0	24.3
25 to 29 Years Old				
1974, All Races	14.2	51.7	22.3	11.9
White	14.3	52.7	22.1	10.9
Black	12.8	36.2	24.3	26.7
1967, All Races	7.3	29.3	33.5	29.9
White	6.9	30.0	34.3	28.8
Black	11.4	22.1	27.6	39.0

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 277, "Fertility Expectations of American Women: June 1974" (Washington, D.C.: U.S. Government Printing Office, 1975), Table A.

The survey data on birth expectations suggest that the completed fertility rates of women will be near the replacment level--the levels of birth necessary to replace the current population (about 2.1 births per woman in childbearing age). Fertility assumptions in recent population and work force projections have been based largely on these survey data and on the belief that for births to fall much below the replacement level, significant changes in social and economic conditions will have to occur. The projections of both the U.S. Bureau of the Census and of the Bureau of Labor Statistics assume that the rapid decline in fertility rates will end soon. However, the assumed ultimate cohort fertility rate at replacement level (2.1 births per woman over her childbearing years) is actually higher than the current total fertility rate. Total fertility in 1973 was about 1.9 births per woman in childbearing ages.[20]

There is some short-term evidence to indicate that rapid decline in fertility rates may be ending. Sklar and Berkov note that the general fertility rate rose by 2.3 percent in California between 1973 and 1974.[21] This occurred despite high rates of legal abortion, a bad economic outlook, and no increase in the marriage rate. Sklar and Berkov also note the high proportion of childless women under 30 who have ever been married (it is about one-third in California), and suggest that if these women are to realize their total birth expectations, their childbearing cannot be postponed much longer. If large numbers of women who postponed fertility during the 1960s were to suddenly begin to make up for postponed childbearing, the decline in fertility would likely cease. There remains the question of how useful California is as a precursor of fertility behavicr in the nation. Sklar and Berkov suggest that in the period 1965 to 1973 California's experience was indicative of trends in New York, Hawaii, Washington, and Oregon. However, demographers working with survey data from other populations are not fully persuaded that as California goes, so goes the nation.

Increased future fertility will certainly lead to increased births. However, Figure 1.1 shows that births will rise again in the 1980s even if the low path of Series III is an accurate indicator of the future, and fertility rates continue to fall. An increase in the number of births can occur with a simultaneous decrease in fertility if larger numbers of women have children. Women in the age groups 18-34 accounted for 86 percent of thc total fertility rate in 1973, and the number of women in these prime childbearing ages has increased rapidly since 1960 and will continue to increase until 1985 (see Tables 1.3 and 1.4).[22]

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[20] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 521, "Estimates of the Population of the United States and Components of Change: 1973" (Washington, D.C.: U.S. Government Printing Office, 1974), Table B.

[21] Sklar and Berkov, "American Birth Rates," p. 695.

THE STRUCTURAL FEATURES OF THE POPULATION FORECAST TO 1990

Age and Sex Structure

Table 1.3 gives the population of the United States by age groups for selected years, 1950-74, and the projected population to 1990 using Series II of the U.S. Bureau of the Census projections. This table uses age groupings corresponding to children normally attending grades K-8 (5-13), and for students attending high school (14-17). With near automatic promotion, age/grade concordance is high in the United States.

From 1950 to 1970, the elementary school age population increased by 14.2 million. During the 1970s, this age group of the population is expected to decrease by almost 6.4 million, but to increase during the 1980s by 4.4 million, with almost all of the increase coming near the end of that decade. These changes should be followed very closely by changes in enrollments in elementary school. Both in absolute and relative terms, however, neither the decrease of the 1970s, nor the increase in the 1980s will approach the population increase in the age group 5-13 years that occurred in the 1950s.

Population changes in the age group 14-17 years will be steadily downward until 1990. After an increase of almost 7.5 million during 1950-70, and continued growth into the 1970s, this age group will decline in size from the mid-1970s until the end of the projection period in 1990. The magnitude of the decline over the period 1974 to 1990 will be approximately 3.9 million.

Other projected changes in population are also relevant to school needs. Table 1.3 shows that the growth of the college-age population 18-24 occurred most rapidly during the 1960s, but is expected to continue until the 1980s, when the population in these ages will begin to decline. The age group 25 years or older is expected to increase steadily and rapidly over the period ahead which potentially could have an impact on school services.

The sex structure of the United States is not expected to change much over the period 1974-90, as shown in Table 1.4. Males will still outnumber females in all young age groups, with the trend continuing for

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[22] U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, p. 5.

TABLE 1.3

POPULATION OF UNITED STATES BY AGE IN 1950, 1960, 1970 and 1974, AND PROJECTED TO 1980, 1985, and 1990[1]

	Population (In thousands)							Net Changes (In thousands)						
	1950	1960	1970	1974	1980	1985	1990	1950-60	1960-70	1970-74	1974-80	1980-85	1985-90	1974-90
Total, All Ages	152,271	180,671	204,879	211,909	222,769	234,068	245,075	28,400	24,208	7,030	10,860	11,299	11,007	33,166
0-4 years	16,410	20,341	17,156	16,304	17,259	19,785	20,096	3,931	3,185	- 852	955	2,526	311	3,792
5-13 years	22,423	32,965	36,836	34,082	30,246	30,380	34,643	10,542	3,671	-2,554	-3,836	134	4,263	561
14-17 years	8,444	11,219	15,910	16,878	15,753	14,388	12,941	2,775	4,691	968	-1,126	-1,365	-1,447	-3,937
18-24 years	16,075	16,128	24,883	26,908	29,441	27,834	25,162	53	8,555	2,225	2,533	-1,607	-2,672	-1,745
25-34 years	24,036	22,919	25,293	29,770	36,157	39,846	41,062	-1,117	2,374	4,477	6,387	3,689	1,216	11,292
35-54 years	39,090	44,799	46,452	46,644	48,342	53,710	61,758	5,709	1,853	192	1,698	5,368	8,048	15,114
55 years and over	25,793	32,300	38,749	41,322	45,570	48,124	49,412	6,507	6,449	2,578	4,248	2,554	1,288	8,090

[1] Projected population refers to Series II.

SOURCES: U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, Tables E, 6, and 8.

TABLE 1.4

ESTIMATED AND PROJECTED SEX RATIOS FOR THE UNITED STATES POPULATION, BY AGE: 1974 AND 1990[1]

Year	Sex Ratio (Males per 100 Females)							
	Total All Ages	0-4	5-13	14-17	18-24	25-34	35-54	55 and over
1974	95.4	104.4	104.0	103.8	101.4	98.5	94.5	78.5
1990	94.6	105.1	105.0	104.6	101.6	98.6	95.0	75.4

[1] Projected figures refer to Series II.

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 601, Tables G, 6, and 8.

more males than females to be born. However, females will predominate in the older age groups because their survival rates are expected to continue to remain higher than male survival rates. Because the ratio shifts at a point beyond school age, there is generally no change or structural difference of consequence for enrollment forecasts.

Overall, the most significant structural feature of the future population for schools will be the decline in the relative numbers of youths. In 1974, 16.1 percent of the total U.S. population were 5-13 years old and another 8.0 percent were 14-17 years of age (see Table 1.5). By 1990, however, these figures are expected to decline to 14.1 percent and 5.3 percent, respectively, as the median age of the U.S. population continues to increase. In absolute numbers, the future population will be less child-dominated than the population of the present or the recent past. This will hold true for all ethnic groups, as Table 1.5 shows.

Ethnic Structure

The ethnic structure of the United States population is not expected to change much over the period from 1974 to 1990. Minority racial groups currently represent 12.9 percent of the U.S. population. By 1990, this is expected to increase to 14.8 percent because the somewhat higher fertility rates of blacks and other races are expected to persist. Table 1.5 describes the racial structure of the U.S. population for selected years in the past and projected to 1990. In 1974, approximately 5.4 million of the 34.1 million elementary school age children were non-whites. In 1990, the number of minority children in this age group is expected to reach 6.1 million out of a total of 34.6 million. Children of minority racial groups represented 15.9 percent of the 5-13-year-old population in 1974, and are expected to increase in relative terms to 17.7 percent of that age cohort in 1990. A similar relative increase is expected to occur in the 14-17-year-old group. In 1974, 15.2 percent of that age group was comprised of blacks and other races. By 1990, their representation is expected to increase to 19.4 percent. The location or geographic distribution of minority racial groups is thus more important to schools than the projected change in numbers.

Geographic Distribution of Population and Enrollments

The geographic distribution and mobility of the population are of primary importance in assessing population changes likely to affect local school systems. Though external migration is relatively small and constant in its effect on national population, internal migration does affect local school enrollments. It is at this level that

TABLE 1.5

POPULATION OF THE UNITED STATES BY RACE AND AGE IN 1960, 1970, AND 1974 AND PROJECTED TO 1980, 1985, AND 1990[1]

Age and Racial Group	Population (in thousands)						Percent Distribution					
	1960	1970	1974	1980	1985	1990	1960	1970	1974	1980	1985	1990
All Races												
Total, All Races and Ages	180,671	204,879	211,909	222,769	234,068	245,075	100.0	100.0	100.0	100.0	100.0	100.0
0-4 years	20,341	17,156	16,304	17,259	19,785	20,696	11.3	8.4	7.7	7.7	8.5	8.2
5-13 years	32,965	36,636	34,082	30,246	30,380	34,643	18.2	17.9	16.1	13.6	13.0	14.1
14-17 years	11,219	15,910	16,878	15,753	14,388	12,941	6.2	7.8	8.0	7.1	6.1	5.3
18-24 years	16,128	24,683	26,908	29,441	27,834	25,162	8.9	12.0	12.7	13.2	11.9	10.3
25-34 years	22,919	25,293	29,770	36,157	39,846	41,062	12.7	12.3	14.0	16.2	17.0	16.8
35-54 years	44,799	46,452	46,644	48,342	53,710	61,758	24.8	22.7	22.0	21.7	22.9	25.2
55 years and over	32,300	38,749	41,322	45,570	48,124	49,412	17.9	18.9	19.5	20.5	20.6	20.2
White												
Total, All Ages	160,023	179,491	184,543	192,162	200,548	208,686	100.0	100.0	100.0	100.0	100.0	100.0
0-4 years	17,373	14,456	13,576	14,256	16,526	16,790	10.9	8.1	7.4	7.4	8.2	8.0
5-13 years	28,533	31,122	28,662	24,970	24,804	28,495	17.8	17.3	15.5	13.0	12.4	13.7
14-17 years	9,839	13,618	14,317	13,136	11,843	10,430	6.1	7.6	7.8	6.8	5.9	5.0
18-24 years	14,169	21,507	23,146	24,978	23,296	20,727	8.9	12.0	12.5	13.0	11.6	9.9
25-34 years	20,230	22,167	26,058	31,267	33,989	34,633	12.6	12.3	14.1	16.3	16.9	16.6
35-54 years	40,252	41,353	41,253	42,390	46,859	53,550	25.2	23.0	22.4	22.1	23.4	25.7
55 years and over	29,627	35,268	37,528	41,165	43,231	44,063	18.5	19.6	20.3	21.4	21.6	21.1
Black and Other Races												
Total, All Ages	20,648	25,388	27,367	30,606	33,520	36,389	100.0	100.0	100.0	100.0	100.0	100.0
0-4 years	2,969	2,700	2,728	3,003	3,259	3,306	14.4	10.6	10.0	9.8	9.7	9.1
5-13 years	4,432	5,513	5,420	5,276	5,577	6,148	21.5	21.7	19.8	17.2	16.6	16.9
14-17 years	1,380	2,292	2,561	2,617	2,545	2,511	6.7	9.0	9.4	8.6	7.6	6.9
18-24 years	1,959	3,176	3,762	4,463	4,538	4,435	9.5	12.5	13.7	14.6	13.5	12.2
25-34 years	2,688	3,125	3,712	4,890	5,857	6,429	13.0	12.3	13.6	16.0	17.5	17.7
35-54 years	4,547	5,099	5,391	5,953	6,851	8,210	22.0	20.1	19.7	19.5	20.4	22.6
55 years and over	2,673	3,482	3,793	4,405	4,894	5,351	12.9	13.7	13.9	14.4	14.6	14.7

[1] Projected population refers to Series II.

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 519, Table 1, and *Ibid.*, Series P-25, No. 601, Tables 6 and 8.

important allocation decisions must be made. Population changes at the local level are affected by the mobility of the population. Although estimation of internal migration is difficult, there are some recent trends which may be important in estimating changes in mobility, migration, and resultant population and enrollment distribution within the United States.

The U.S. Bureau of the Census has recently reported that persons moving from metropolitan areas exceeded those moving to metropolitan areas between 1970 and 1975, an apparent reversal of the migration patterns over the previous five-year period.[23] [24] Between 1965 and 1970, net migration increased the metropolitan population by 350,000, but from 1970 to 1975, there was a net outflow of 1.6 million. Of the migration stream *into* central cities, blacks were relatively more numerous than in the stream migrating *from* central cities, contributing to the continued concentration of blacks within the central city area. In an analysis of recent migration patterns, the Bureau of the Census reports that "a large part of the net movement from metropolitan areas represents continued urban development around the fringes of metropolitan areas."[25] The migration was away from metropolitan areas to adjacent areas, in effect representing increased suburbanization. This is nothing new.

However, in an analysis of Bureau of the Census mobility data for the period 1970-73, Calvin Beale has added some interesting details about the recent changes in migration patterns from metropolitan areas to non-metropolitan areas.[26] Beale shows that increased growth in non-metropolitan areas was by no means limited to growth in areas adjacent to metropolitan areas. During the period 1970-73, metropolitan population increased by 2.9 percent, while non-metropolitan population grew 4.2 percent. When non-metropolitan areas were broken down into those counties adjacent to a metropolitan area and those counties non-adjacent to a metropolitan area, Beale found adjacent counties grew 4.7 percent during the period and non-adjacent counties grew 3.7 percent. These figures show a reversal of trends established in the 1960s. Counties which were entirely rural and not adjacent to metropolitan areas and counties having no city with a population over 25,000 both showed positive growth rates during 1970-73. Even in areas where populations declined because of heavy out-migration during the 1960s, the pattern is changing: counties with 35 percent or more employed in agriculture decreased by 11.5 percent from 1960 to 1970, but only by 0.4 percent during 1970-73. Similarly, the 9.5 percent decrease during the 1960s in areas with 50 percent or more black population was reduced to a decrease of 0.7 percent during 1970-73.

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[23] Metropolitan areas refers to data on Standard Metropolitan Statistical Areas (SMSAs).

[24] U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 285, "Mobility of the Population of the United States: March 1970 to March 1975" (Washington, D.C.: U.S. Government Printing Office, 1975), p. 1.

[25] *Ibid.*

[26] Calvin L. Beale, "Where are all the People Going--Demographic Trends" (Washington, D.C.: Rural Housing Alliance and Rural America, Inc., 1975).

Beale attributes recent changes in population distribution patterns to several causes. The growth of rural retirement and recreation areas, the rise of state colleges and universities in rural areas, easy transportation and communication, and modernization of rural life all enhance the attractiveness of rural areas. Beale states that changes in population movement since 1970 may also "reflect to a considerable extent many people implementing a preference for a rural or small-town residence over that of a city, quite apart from the improved economic conditions of non-metro areas making such moves feasible."[27]

Fuguitt and Zuiches, in a recent nationwide sample survey, found that if people moved to the areas they preferred, population would decrease within cities over 50,000, but increase in rural areas within 30 miles of a city of 50,000.[28] The largest decline would occur in cities over 500,000 and the largest gains would be in rural areas near cities of 50,000 population or more. The relationship between residential preference and actual migration behavior is affected by employment, transportation, educational opportunity, and plain inertia. Yet, stated residential preferences and actual net in-migration to non-metropolitan areas during 1970-75 indicate at least a short-term migration trend. If the trend continues, there will be changes in the geographical distribution of populations, and possibly in school enrollments.

Migration of families with school-age children is an important determinant of change in school enrollments within the United States. Table 1.6 summarizes the migration patterns for children 5-14 years and 15-19 years, using Bureau of the Census data for 1970-75.[29] Central cities experienced net out-migration in both school-age groups

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[27] *Ibid.*, p. 17

[28] Glen V. Fuguitt and James L. Zuiches, "Residential Preferences and Population Districution, *Demography* (August 1975), pp. 491-504.

[29] U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 285, Table 1.

TABLE 1.6

SCHOOL-AGE MIGRATION FOR UNITED STATES CITIES AND SUBURBS: 1970-75 (NUMBERS IN THOUSANDS)

MIGRATION	5-14 Years			15-19 Years		
	Central Cities	Balance of SMSAs	Outside SMSAs	Central Cities	Balance of SMSAs	Outside SMSAs
Net Migration	-1,768	+1,193	+ 575	- 452	+ 306	+ 146
In-Migration	+1,138	+2,752	+1,560	+ 513	+ 967	+ 577
From Central Cities	(X)	+2,171	+ 735	(X)	+ 720	+ 245
From Balance of SMSAs	+ 734	(X)	+ 825	+ 329	(X)	+ 332
From Outside SMSAs	+ 404	+ 581	- (X)	+ 184	+ 247	(X)
Out-Migration	-2,906	-1,559	- 985	- 965	- 661	- 431
To Central Cities	(X)	- 734	- 404	(X)	- 329	- 184
To Balance of SMSAs	-2,171	(X)	- 581	- 720	(X)	- 247
To Outside SMSAs	- 735	- 825	(X)	- 245	- 332	(X)

(X) Not applicable

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 285, "Mobility of the Population of the United States: March 1970 to March 1975" (Washington, D.C.: U.S. Government Printing Office, 1975), Table 1.

(1.8 million in the 5-14 age group and 0.5 million in the 15-19 age group). Both the suburbs and non-metropolitan areas experienced net in-migration during the period 1970-75. Generally, enrollment shifts followed changes in the population resulting from migration; central city enrollments declined more rapidly than the national average, and suburban and adjacent non-metropolitan areas had less rapid declines, and in some instances gains. The same broad trends may be expected to hold over the forecast period.

Population also shifted between regions and states during the period 1970-75. The Northeast and North Central regions had net out-migration and the West and South had a more rapid population growth as a result of net in-migration.[30] [31] With increases in elementary school enrollments projected after 1982, the South and West may have increases above the national average, and the Northeast and North Central states below the average. In central cities, enrollments may actually decline, despite patterns of national and regional growth. Furthermore, the circumstances in any local area may have consequences markedly different from those flowing from the projected general demographic situation.

CONSEQUENCES OF POPULATION CHANGES

Enrollment Consequences

Table 1.7 summarizes projected enrollment changes for elementary and secondary schools. Based on Series II projections, Table 1.7 shows that elementary school enrollment will continue to fall until 1982, decreasing between 1975 and 1982 by 3.4 million. This compares with the decline of 2.4 million already experienced between 1970 and 1974.[32] By 1990, an additional 4.4 million children would be enrolled in elementary schools over the expected low point in enrollments projected for 1982. However, the total enrollment of 33.8 million would still fall short of the peak elementary school enrollment of 37.1 million established in 1969.

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[30] As reported by William Delaney, "Most of Nation's Growth in 1970's Centered in South and West," *The Washington Star* (December 12, 1975), p. 1.

[31] U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 285, p. 2.

[32] National Center for Education Statistics, *Digest of Educational Statistics*, Tables 1 and 2.

TABLE 1.7

ENROLLMENT TRENDS FOR ELEMENTARY AND SECONDARY SCHOOLS IN THE UNITED STATES, 1960-1974, AND PROJECTED FROM 1975 TO 1990[1]

Enrollment Trend	Educational Level									
	Elementary					Secondary				
	Years	Initial Enrollment[2] (In 000's)	Final Enrollment[2] (In 000's)	Absolute Change (In 000's)	Percent Change	Years	Initial Enrollment[2] (In 000's)	Final Enrollment[2] (In 000's)	Absolute Change (In 000's)	Percent Change
Rising	1960-1969	32,492	36,797	4,305	13.2	1960-1975	9,689	15,367	5,679	58.8
	1983-1990	29,521	33,871	4,350	14.7					
Falling	1970-1982	36,677	29,475	-7,202	-19.6	1976-1990	15,339	11,876	-3,463	-22.6

[1] Projected figures are based on Series II of the U.S. Bureau of the Census.

[2] Historical enrollment data is for total public and non-public regular day schools.

SOURCES: See Table 2.1. Also: National Center for Education Statistics, *Projections of Educational Statistics to 1983-84* (Washington, D.C.: U.S. Government Printing Office, 1975), Table 3; and National Center for Education Statistics, *Projections of Educational Statistics to 1980-81*, Table 3.

The children who will enter elementary school in the period from 1975 to 1979 have already been born. Therefore, elementary enrollments must fall until 1979. Children entering elementary school after 1979 have not yet been born and the exact magnitude and the duration of the enrollment decline will vary according to assumptions about future fertility. For example, with Series I projections (high fertility), the enrollment decline would end in 1980. From 1981 to 1990 there would be a very dramatic increase in elementary school-age children, amounting to 10.8 million. This would bring elementary enrollments to around 41 million, almost 4 million over the peak historical enrollment in 1969. This does not appear likely. With low future fertility assumptions (Series III), enrollments would continue to decline until 1986. Between 1975 and 1986 there would be a decrease of some 5.5 million young people of elementary school-age. The enrollment increase would not begin until 1987. Total enrollment in 1990 would be approximately 30 million, well below present enrollments. Indications are that this also is not likely.

Beyond 1982 and until the end of the projection period, Series II projections indicate that elementary school enrollments will rise again. The enrollment increase will be a result of the larger number of births projected for the next few years, a projection based on relatively low levels of fertility but much larger numbers of women entering the prime childbearing ages. Single-year enrollment projections in Appendix A indicate that the rise in enrollment of school-age children will begin as early as 1980 for kindergarten, and go up in the first-grade in 1981. Enrollment increases will occur in second-grade the following year and this progression will continue through each successive grade to the end of the projection period. If growth happens on this schedule, observers will not have long to wait, because the rise in births should appear for the year just past, 1975. If it does not happen, there is still no way of knowing whether the upturn is merely delayed for a year or two.

The young people entering secondary school during most of the projection period have already been born, so estimates of this population are much firmer than those for children of elementary school age. Under all three projection series, the population aged 14-17 years is expected to decline steadily until 1990, and from 1976 through 1990 secondary school enrollments will decline. In 1990, there will be approximately 4 million fewer young people in the ages 14-17 than there were in 1975, and secondary enrollments will decline by about 3.5 million over the forecast period.

Educational Consequences

Population and enrollment forecasts have educational consequences, some traceable directly from population changes, and others which must be traced more indirectly through economic and social concomitants.

National Demographic Patterns

National demographic trends indicate declining enrollments at the secondary level all through the period. Post-secondary enrollments may begin to decline in 1982 and continue through the forecast period. However, increased participation rates of those beyond compulsory attendance age could change this, as could designing programs to serve the increasing numbers in the 25-34 age group who are normally in the work force.

Evidence is persuasive that enrollments in grades K-8 will begin to rise in the mid-1980s. The evidence is sufficient to modify the mind-set that the trend will be inexorably downward. (The consequences of this mind-set will be discussed below.)

The projected sex and racial structure of the school-age population signals no major changes, with the relative numbers of non-whites increasing slightly. However, racial composition and geographic distribution taken together do suggest local consequences. Schools are affected mainly by local situations--hence geographic distribution is significant.

Geographic Trends and Local Consequences

If trends in internal migration continue, central sections of metropolitan areas will continue to lose population and enrollment and suburban areas will continue to gain. Non-metropolitan areas near cities of over 50,000 may expect the most rapid in-migration and growth. This could have important consequences. Large urban systems will continue to lose enrollments. Taken with ethnic composition, this suggests that the share of white enrollment will continue to decline in central areas. However, black enrollments will be growing in the early period more from fertility differences and not so much from new migration. This will bring a different population of black children for urban administrators to serve. One might guess that family stability and sophistication will be higher without the sometimes harmful effects of mobility and migration on new urban families. To balance urban schools racially may require balancing within metropolitan areas by joining the urban areas that are losing enrollments with the suburban areas that are gaining. Both these speculations, however, are beyond the scope of demographic analysis.

The growth in non-metropolitan areas also has some interesting implications. The first is a signal to administrators who run systems in these areas that they may see growth where there was decline. But the patterns can be very different for local areas because the population may grow without an influx of school-age children, as older people with college-age children, or no children at all, are attracted to rural areas. Stable incomes will increase, property assessments rise, and revenues increase in rural areas surrounding smaller cities; but resources may not go to public education. The trend toward consolidation of rural districts may slow and even reverse. Within the general growth trend, migration to any given area will be affected by local community policy on growth, land use regulations, job and schooling opportunities, and cultural and recreational attractions. The trends do not suggest that non-metropolitan growth will make racial balancing difficult, even when urban and suburban are joined.

Social and Economic Concomitants of Educational Change

Forecasts of slowing economic growth, which are based through national econometric models on slowed population and work force growth, also have implications for schools and educators. One certainty is an aging population and, numerically at least, one less youth-centered. Whether fiscal conservatism is an inevitable consequence is unclear, but age-specific self-interest is likely. The aging babies from the boom years will be in their prime years and enfranchised in the leaner times ahead. Slower economic growth reduces revenues, produces tighter budgets, and dampens expansiveness. Inflation will continue to affect rising school costs. There will be fewer goods and services available at higher prices under tighter budgets.

Employment, or its lack, will powerfully affect public response to school budgets and programs. Attention may well focus on direct investment to create jobs rather than indirect investment through creation of school opportunities. Job creation may not be a successful or easy policy to finance and implement, but its effect may be to reduce attention on schooling as a long-range economic solution. According to Davis and Lewis, unemployment among the educated, present and growing, will reinforce the shift of attention from schooling to jobs.[33] There may be less faith in long-run investment in general education, but sporadic unemployment may provide time for job-related study and training, especially for the large and increasing populations in the 25-34-year ages. Schools and colleges may be supported but to do different things on different schedules for different client groups with different needs. One possibility is piecemeal training over a longer time span for 25-34 year-age groups. For these and other age groups, pre-school children and the aging, schools may have to provide greater outreach in services.

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[33] Russell G. Davis and Gary M. Lewis, *Education and Employment: A Future Perspective of Needs, Policies and Programs* (Lexington, Mass.: Lexington Books, 1975).

A mind-set toward enrollment decline, reinforced by data showing declines in the early period and accompanied by slowing economic growth and diminished revenues for schooling, could have important consequences for schools and administrators. It may be more difficult to marshal resources for the changed circumstances when enrollments begin to creep up in early grades. Most obvious will be the need to find new teachers, or shift existing ones. Recruitment pools may have been affected by earlier reductions in pre-service teacher training activity. The employment outlook suggests no shortage of people with general education credentials looking for teaching jobs, and intensive or in-service programs could supply professional training. Hiring may not be easy for school boards oppressed by shrinking revenues, the view that enrollments can't be going up, and evidence from pupil-teacher ratios which suggests the system is already overloaded with teachers.

Pupil-teacher ratios have been going down for some years, the first dramatic move downward at elementary level coming after 1966 when the effects of the Elementary and Secondary Education Act began to appear.[34] HEW projects a continued decline in pupil-teacher ratios through 1983. It may be difficult to persuade school boards to increase staff to serve increasing enrollments in the lower grades. Shifting unionized teachers to the lower grades may also be difficult. Increasing the pupil load of existing teachers in the lower grades may bring complaints from them as well as from parents who do not want to sacrifice a school input they view as central to educational quality. Changing accepted ratios, sanctified by time, will not be easy. New hiring may be the most difficult of all, and quality education may suffer.

Most difficult may be to adapt older physical facilities to fit changing enrollment patterns or to meet new requirements for delivery of services to age groups traditionally served outside the formal schools. This would suggest tht older and less adaptable facilities should be regularly replaced over the coming years, but this is unlikely to happen when enrollments are declining and revenues are tight. It will be difficult to justify support for long-range capital plans for improvement of facilties. Bond issues have been in difficulty for some years. The need for new buildings may not get ready acceptance when times are tight, and the length of the increasing trend ahead is not co-terminus with the life of the facility. The buildings may be justified on the basis of serving multiple needs and client groups in the community, but there is no assurance that the school will be the central institution which shapes the design of the facility. Again, this will depend on the success of outreach programs from the formal schools. Administrators will have to make their case by program service. The situation is likely to vary by community, by need, and, as always, by the strength of those who lead and speak for their institutions.

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[34] U.S. Office of Education, *Projections of Educational Statistics to 1982-83* (Washington, D.C.: U.S. Government Printing Office, 1974), p. 64.

The requirement for resources to make schooling more relevant to work and employment may also press general education budgets. So may the pressures to serve the big populations beyond traditional school years. The notions of education and continuing and life-long learning opportunity are already heartily touted, but the trade-off under constrained resources between this form of service and more traditional services to the young is not clear. The schools are likely to be caught between older and younger age-group pressures. Such possibilities go far beyond what demographic analysis can reveal.

The continuing high participation of women in the work force may affect program organization and pedagogic arrangements in the schools. The direct effect on fertility and population has been discussed. The effect of family size and composition on education is less directly traceable, but important. With large numbers of working wives and the two-child family implied by the Series II fertility assumptions, the increased enrollments late in the period may present many new service tasks to the schools. Children may come to school from smaller, adult-dominated families, with higher verbal skills and greater need for peer socialization. Or the schools may have to reach out earlier and more directly into the homes, to initiate and reinforce socialization that once took place in larger families with mothers at home. The need for changes in curriculum, pedagogy, and the mode and site for delivery of services are traceable through demographic analysis; the form of the educational response is not.

The effects of family composition, sibling role models, and effect on school behavior are now being studied. Cicirelli, studying the two-child family in the middle-income level, notes a difference in school success of the younger child, depending on whether the older sibling is a girl or a boy.[35] The optimal pattern seems to be an older girl and younger boy. Assuming that birth-sex engineering may not be perfected in the period, education may have to train older siblings to perform important roles for the intellectual and social development of younger ones. But if female sex roles for adults change, then girls may not be the nurturing and socializing siblings they were once. Once again projected demographic changes will create new situations for education which go far beyond mere matters of numbers.

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[35] See Richard Flaste, "Expert Claims People Who Look at Child-rearing are Often 'Wearing Blinkers,'" *Boston Herald-American*, December, 1975.

CHAPTER II

DEMOGRAPHY AND CHANGING ENROLLMENTS

Harriett Fishlow

INTRODUCTION

Over the next fifteen years American schools will experience a series of fluctuations in their enrollments because of demographic changes. Even as high school enrollments were slowly reaching their (probable) twentieth century peak in the mid-1970s, the overall enrollment began to decline. In the 1980s elementary enrollments are expected to increase, while secondary school enrollments continue to decline. These changes in enrollments are the result of past changes in the birth rate--the baby boom and bust--and expected future changes. Demographers expect a rise in births shortly as the aging "baby boom" babies begin to settle down and have children of their own. This will affect elementary school enrollments in the 1980s.

This chapter outlines the certain and probable scope of enrollment fluctuations at the national level and suggests some general actions school systems might take to accommodate themselves to these changes. Principal suggestions are to increase flexibility both in physical plant and staffing and to protect the interests of those likely to be affected by change. Planning for flexibility ten to fifteen years from now is perhaps not too difficult; preparing for more immediate changes, mostly declines, requires greater effort. The alternative almost certainly involves considerable strife and controversy, as school systems are forced to close schools and lay off teachers. Careful preparation may not avoid all strife and controversy, but it should ameliorate the situation. Lack of preparation for decline will also surely contribute to a great waste of resources, particularly human resources.

Enrollment fluctuations of course will vary among school districts depending on past and current migration patterns (and, to a lesser extent, on local differences in fertility and school attendance). For example, secondary school enrollments are expected to decline nationally about 25 percent between 1976 and 1990. However, areas now experiencing in-migration may well show an increase, while other places have an even more precipitous decline.

Both long-range plans and more immediate preparations depend on reasonably accurate estimations of probable enrollment changes. Although the national trends in enrollment are fairly well known, it is the local districts which will have to deal with the changes. The development of state and local capabilities in enrollment estimations and forecasting is, therefore, strongly recommended.

DEMOGRAPHIC BACKGROUND OF RECENT TRENDS

Virtually everyone is now aware that school enrollments are, or shortly will be, declining from record levels. Enrollments in the elementary schools (K-8) peaked in 1969, high school enrollments (9-12) are expected to peak this year in 1977, and enrollments at the post-secondary level will probably reach their highest level within five years and then decline.[1] The reason for the enrollment increases and subsequently observed or shortly expected declines is also well known, at least at the K-12 level.

America experienced a record high level of births from 1946 to 1964. In each of those years, births exceeded any year previous to 1946, usually by at least 25 percent; from 1954 to 1964, the number of births exceeded 4 million each year. The maximum number born was, however, recorded in 1957. The decline, barely perceptible at first, began to accelerate in the early 1960s. The last year of 4+ million births was 1964. There was a sharp 7 percent drop in 1967 and the decline in numbers born continued (with the exception of a small upturn in 1969 and 1970) to 1973. Since then, the level has held fairly steady at just under 3.2 million a year (see Table 2.1 and Figure 2.1). This represents a decline of over 20 percent in just one decade (1964 to 1974).

ENROLLMENT PROSPECTS BASED ON BIRTHS WHICH HAVE ALREADY OCCURRED

Enrollments for the nation as a whole, at least at the K-12 level, can be predicted with some degree of certainty into the 1980s and beyond, depending on the grade level, because most of the births that form the basis for these enrollments have already taken place.

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[1] *HEW, Projections of Education Statistics to 1984/85*, 1976, pp. 18, 21. See Table 2.1 and Figure 2.1.

TABLE 2.1

ENROLLMENT IN GRADES K-8 AND 9-12, FALL 1964 TO 1984 (in 000's)

Year	K-8	9-12	K-12
1964	35,025	12,691	47,716
1965	35,463	13,010	48,473
1966	35,945	13,294	49,239
1967	36,241	13,650	49,891
1968	36,626	14,118	50,744
1969	36,797*	14,322	51,119
1970	36,677	14,632	51,309*
1971	36,165	15,116	51,281
1972	35,531	15,113	50,644
1973	34,953	15,277	50,229
1974	34,419	15,337	49,756
		Projected	
1975	33,800	15,500	49,300
1976	33,300	15,600*	48,900
1977	32,600	15,500	48,100
1978	31,800	15,400	47,200
1979	31,100	15,100	46,200
1980	30,900	14,600	45,500
1981	30,800	14,100	44,900
1982	30,900	13,600	44,500
1983	31,200	13,300	44,500
1984	31,500	13,300	44,800

* Peak year.

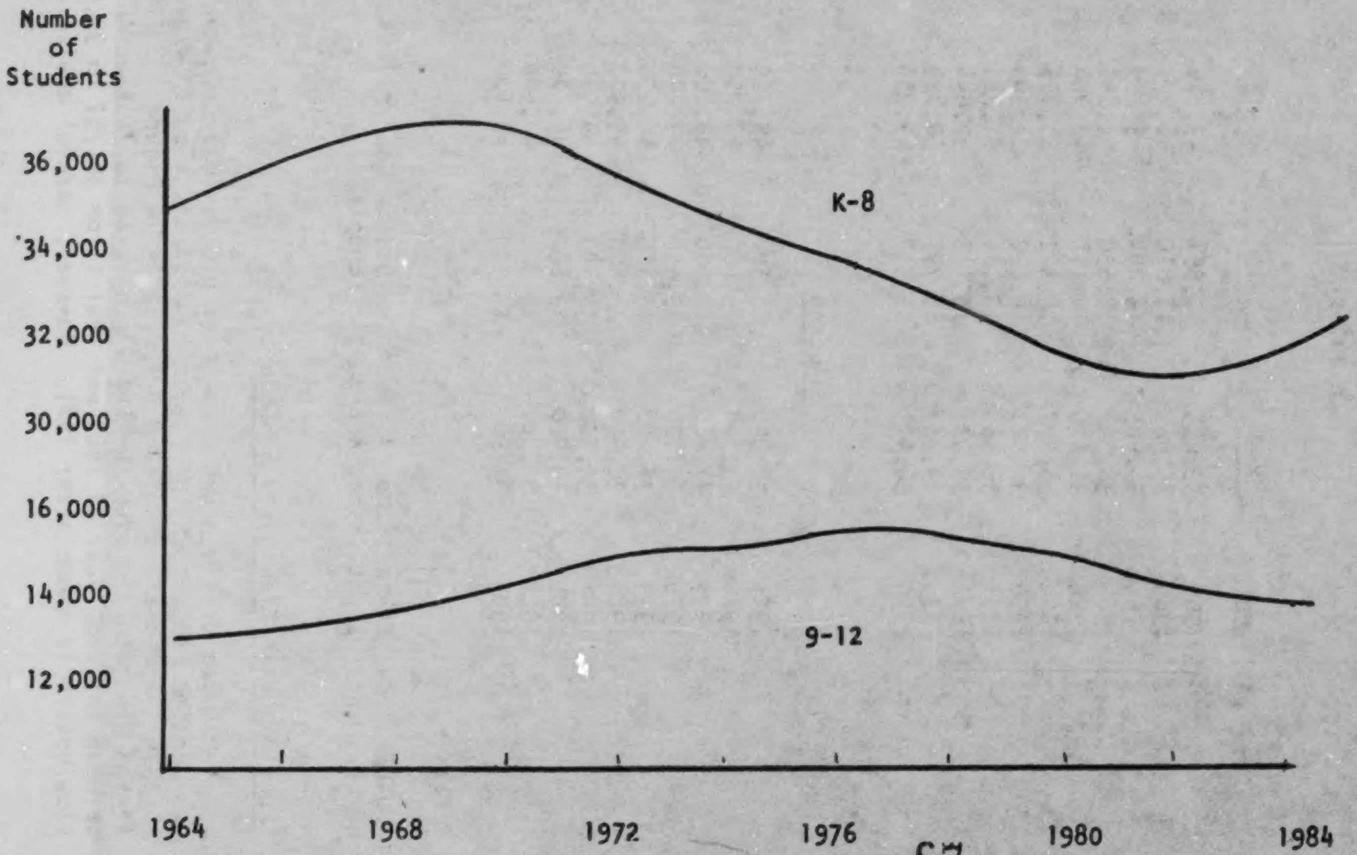
SOURCE: HEW, *Projections of Education Statistics to 1984/85*, p. 18. Numbers include public and non-public schools.

Enrollments in Elementary Schools

Table 2.1 displays the enrollment projections from the HEW publication *Projections of Education Statistics to 1984/85* published in 1976. These are displayed graphically in Figure 2.1. Enrollments in the elementary grades (K-8) are projected to decline 16 percent between the peak year of 1969 and 1981 (from 36,797 to 30,800). A slow upturn is shown after 1981. However, careful analysis of the

FIGURE 2.1

ENROLLMENT IN GRADES K-8 AND 9-12, 1964-84, ESTIMATED AND PROJECTED BY HEW



figures used in the projection show it to be based on an assumed upturn of about 2-1/2 to 3 percent in births in 1975.[2] In fact, the numbers of births declined slightly in 1975 (there were an estimated 3,149,000 births in 1975, compared to 3,166,000 in 1974), and the decline continued through the first eight months of 1976. Enrollments at the K-8 level should, therefore, continue to decline to 1983, if not beyond.

Enrollments in Secondary Schools

As can be seen in Table 2.1 and Figure 2.1, secondary school enrollments are projected to decline steadily from their projected high of about 15,600,000 in 1976. The projection is taken to 1984, when enrollments drop to about 13,300,000, a 15 percent decline in the eight years from 1976 to 1984.[3] (The average rate of decline between the two years is 2 percent per year.)

Since births have continued to decline to the present, secondary school enrollments cannot be expected to significantly increase before the early 1990s. All things being equal, secondary school enrollments should reach a low point of about 12,000,000 in 1989, when the students in grades 9-12 will come from the small birth cohorts of 1972 to 1975. These birth cohorts were 25 percent smaller than those of 1959 to 1962, which form the basis of current secondary school enrollments. (Enrollments in 1990 could be even lower since there were fewer children born in 1976 than in 1972.)

To predict elementary school enrollments on the basis of numbers of births a certain number of years earlier is fairly reasonable, at least at the national level, since virtually all children attend the elementary grades and automatic promotion based on age has been customary for two decades. Secondary school enrollments, however, include a discretionary factor which complicates projections. There is some evidence that the continuation rate has declined in recent years in some places.[4] In New York City, a rising proportion of drop-outs is attributed to a changing ethnic mix in the city, since blacks and Puerto Ricans are said to have a much higher drop-out rate than whites, and these groups have increased proportionately to whites in recent years. To the extent that this differential is true nationally, and to the extent that these differential rates persist over the next fifteen years or so, continuation rates would tend to fall because non-white youth will comprise an increasingly larger percentage of persons 14-17 years of age. National figures, however, do not show any downward trend in high school continuation rates, so the problem may be one for local planners only.[5]

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[2] *Ibid*, Table B.1, "School-age Population Ages 5-6 and 5-13: US 1964-1985," p. 153.

[3] In fact, that drop is shown to occur in seven years; 9-12 enrollments in 1983 equal those of 1984. Recall the temporary increase in births fourteen years before these dates (1969 and 1970).

[4] *New York Times*, Sunday, October 17, 1976. Personal communication, Isabel Hambright, Population Research Unit, California Department of Finance, in relation to their projected numbers of high school graduates.

ENROLLMENT PROSPECTS BASED ON FERTILITY PROJECTIONS

Enrollment forecasts beyond the early 1980s become increasingly dependent on fertility projections. The entering kindergarten class of 1982 will not be born until 1977; the same birth cohort will enter ninth grade in 1991 and colleges and universities in 1995. Thus, discussion of enrollments for those levels of education much beyond those years depends on what assumptions are made about future fertility behavior.

Projected Fertility in the U.S. 1975-2000

The Bureau of the Census issued its latest detailed population projections in 1975.[6] To provide a range, they made three separate projections based on three different assumptions about completed family size. (Mortality and migration assumptions were the same for all three). Series I is based on the assumption that the completed families of young women now of reproductive age and those who will bear children in the future will average 2.7 children; Series II is based on an eventual completed cohort fertility of 2.1; and Series III on one of 1.7. Series II is generally considered the most reasonable, partly because it conforms most closely with recent surveys of birth expectations.[7] Two additional projections were made using an eventual completed family size of 2.1, but introducing certain variations in the assumptions underlying the projections. These illustrate the result of certain trends which, although considered possible by demographers, are felt by the Census Bureau to be somewhat less likely than those assumed to underlie Series II.

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[5] Percent of persons 14-17 enrolled in school rose from 93.1 to 94 between 1964 and 1969, and then fell to 92.9 in 1974. Such variation could easily be caused by changes in age distribution in the 14-17 year old category. (*Current Population Reports*, p. 20, no. 278, Table 2, p. 4.) The same publication shows an increasing convergence in white and non-white rates of attendance in this age group. By the early 1970s, the rates were virtually equal.

[6] *Current Population Reports*, Series P-25, no. 601. "Projections of the Population of the United States: 1975 to 2050" (1975).

Series II L is based on a later timing of births than Series II. It assumes a sharper decline in teen-age births between 1974 and 2000 than does Series II, and a substantial increase in births to women in their thirties. This would move the mean age of childbearing from about 26 to 28. The actual age-specific fertility for 1974 and the two projected sets for 2000 are shown in Table 2.2.

TABLE 2.2

CHILDREN PER 1000 WOMEN, BY AGE

	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49
1974	1.2	59.9	116.1	106.8	52.7	21.4	5.3	0.4
2000 (II)	0.3	46.4	144.2	143.6	62.2	19.6	4.7	0.3
2000 (IIL)	0.2	24.6	99.8	149.9	102.5	31.8	4.9	0.3

The pattern of age-specific fertility in Series II is similar to that of many moderate-to-low fertility European countries, including England, France, and Belgium. These countries have historically had lower teen-age fertility than the United States and somewhat later marriages. The pattern in Series II L is closer to that of Spain, Italy, and Ireland, countries which have maintained moderate levels of fertility during much of the twentieth century through late (and non) marriage rather than through the extensive use of contraception. While it is currently possible that the United States would move to that pattern, the Series II pattern seems somewhat more probable given our past history and heterogeneous population. The age pattern of the decline in American fertility between 1960 and 1974 lends some support to the Bureau's preference for Series II, as Table 2.3 indicates.

Teen-age fertility has been the slowest to decline, fertility of women over thirty-five the fastest (although the fact that women over

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[7] *Current Population Reports*, Series P-20, no. 277, "Fertility Expectations of American Women: June 1974" (February 1975).

TABLE 2.3

PERCENT CHANGE IN AGE-SPECIFIC FERTILITY RATES, UNITED STATES 1960-1975[8]

Under 15	+ 62
15-19	- 37
20-24	- 56
25-29	- 44
30-34	- 53
35-39	- 65
40-44	- 70
45-49	- 67
Total	- 51

thirty-five in 1974 were the mothers of the baby boom probably has something to do with the latter.) Series II L is interesting, however, because it demonstrates the effect on *annual* fertility of a delay or stretching-out of cohort fertility. *Annual* fertility is lower under Series II L than under Series III because each cohort's contribution to the total of any one year is less.[9] Since such a pattern is a possibility, its implications are worth considering.[10]

Series II R, while based on an eventual cohort fertility of 2.1, does not assume this rate will be achieved by persons born in the twentieth century since it assumes that only cohorts of 3.8 million

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[8] Calculated from HEW, National Center for Health Statistics, Advance Report Final Natality Statistics, 1975, vol. 25, no. 10, December 30, 1976, p. 10.

[9] One can see this intuitively by thinking of each cohort's lifelong contribution to fertility as a piece of taffy. If each cohort stretches out its contribution, the sum of the cross-sections in any one year will be less.

[10] Timing decisions cause another uncertainty in the projection of annual fertility. Given the high level of control exerted by American couples over their fertility, yearly fluctuations in response to economic conditions, etc., are virtually certain. Since such circumstances, and the level of response to them, are unpredictable, the authors simply assume a smooth trend in annual total fertility rates toward the ultimate cohort fertility in each series. Quinquennial averages after 1980 avoid some of the problems of yearly fluctuations by artibrarily assigning the presumed five-year average to the entire half decade.

TABLE 2.4

ESTIMATES AND PROJECTIONS OF THE AVERAGE ANNUAL NUMBER OF BIRTHS: SELECTED YEARS, 1940 TO 2000
(In 000's)

Years (July 1/June 30)	Series I (2.7)	Series II (2.1)	Series IIL (2.1)	Series IIR (2.1)	Series III (1.7)
Estimates					
1940-45		2,903			
1945-50		3,555			
1950-55		3,949			
1955-60		4,274			
1960-65		4,171			
1965-70		3,613			
1970-71		3,709			
1971-72		3,408			
1972-73		3,191			
1973-74		3,112			
Projections					
1974-75 (1)		3,187			
1975-76 (1)		3,126			
1974-75 (1)	(3,372)	(3,178)	(3,172)	(3,163)	(3,049)
1975-76 (1)	(3,679)	(3,285)	(3,240)	(3,234)	(2,946)
1976-77	3,932	3,425	3,310	3,333	2,958
1977-78	4,156	3,575	3,377	3,435	3,092
1978-79	4,356	3,720	3,440	3,528	3,223
1979-80	4,539	3,865	3,498	3,611	3,323
1980-85	4,958	4,088	3,625	3,761	3,416
1985-90	5,243	4,146	3,717	3,875	3,376
1990-95	5,093	3,949	3,719	3,906	3,173
1995-2000	5,076	3,783	3,778	3,951	2,944

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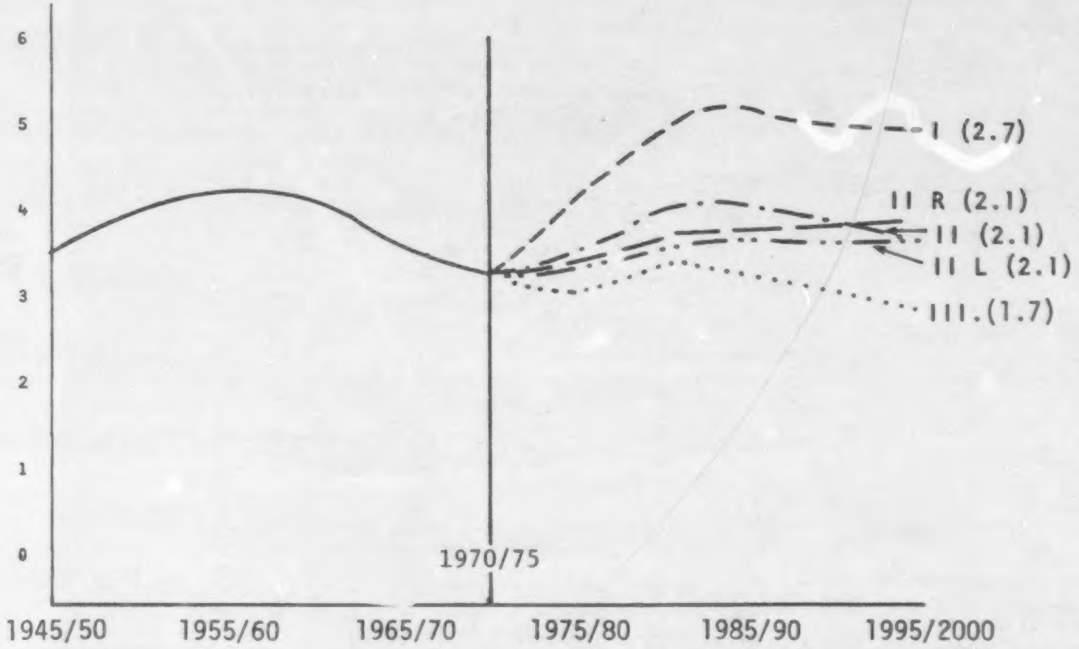
(1) Estimate of 3,187 for 1974-75 and 3,126 for 1975-76 is from National Center for Health Statistics, *Monthly Vital Statistics Report* 25, 6 (August 27, 1976): 1. These estimates became available after the projections were made, not present in Figure 2.1.

FIGURE 2.2

BIRTHS BY PROJECTED LEVEL OF COHORT FERTILITY (5-YEAR AVERAGES)



will have replacement level fertility. Cohorts of 4.2 million, like those of the later baby boom years, are expected to average 1.9 children, while the smaller cohorts of the early 1970s will average 2.2 to 2.4. Successive cohorts will tend to over- and under-shoot 3.8 million and thus have lower or higher completed fertility. The projections oscillate past the end point year, 2050.

As shown in both Table 2.4 and Figure 2.2, the number of annual births, determined by the projected age-specific birth rates considered plausible for each hypothetical completed family size and by the projected female population in the childbearing ages, is projected to increase in the 1980s in all five projections.[11]

Fertility Projections Under the Assumptions of Series I (2.7 Children)

Were average completed family size to equal 2.7 children, the increase in births would continue until the late 1980s and remain high for the rest of the century. The peak number of births in the baby boom years--4.3 million in 1957--would be surpassed within two years (by 1978-79), and numbers of births would increase another 20 percent in the 1980s. Numbers of births would equal or exceed 5 million for twenty years (1980-2000).

Fertility Projections Under the Assumptions of Series III (1.7 Children)

Under the Series III average of 1.7 children, annual births would drop slightly below 3 million and then increase to 3.4 million in the mid-1980s before beginning a long-term decline that reflects the sub-replacement level fertility assumption. (Actual declines in total population would not occur until after 2020.)

Fertility Projections Under the Assumptions of Series II (2.1 Children)

The average completed family size which is considered most probable by Census Bureau demographers is the replacement level 2.1. The expected annual births for this size family would increase steadily from the 3.1 million recorded in 1974 to over 4 million in the 1980s (a rise of 30 percent) and then would drop slightly below 4 million in the 1990s. In terms of *numbers* of births, the 1980s and early 1990s would be close to the baby boom years of the 1950s and early 1960s.

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[11] SOURCE: *Ibid.*, p. 6, Table 3, and National Center for Health Statistics, *Monthly Vital Statistics Report*, vol. 25, no. 6 (August 27, 1976). Births are calculated by fiscal years beginning July 1.

Fertility Projections Under the Assumptions of Series II L (2.1 Children, Late Childbearing)

If the mean age of childbearing moved from the mid- to the late twenties, births would, under the cohort fertility assumptions of Series II, rise to about 3.6 million in the early eighties and maintain a level of about 3.6 to 3.7 million to the end of the twentieth century.

Fertility Projections Under the Assumptions of Series II R (Cohort Fertility Connected to Size of Cohort; Eventual Achievement of 2.1)

Under the assumptions of Series II R numbers of births would rise steadily throughout the rest of this century and beyond, reaching a peak of about 4.1 million in 2007.

The first year of projection was 1975/76, for which a preliminary estimate of number of births is now available.[12] At 3,126,000, it falls between Series II (2.1) and Series III (1.7).

Implications for Elementary School Enrollments

As indicated in Table 2.5, the population aged 5-13, which forms the basis for elementary school enrollments, will decline about 10 percent between 1975 and 1980 under all the projected Series, including Series II and II L. The decline to 1980 is certain since nearly all the children who would be 5-13 in 1980 had been born when the projection was made (mid-1975).[13] In 1980, that age group will be just 83 percent of what it was in the peak year of 1970, or approximately what it was in 1957.

Little change in the number of children 5-13 is projected between 1980 and 1985. Under the straight Series II projection, the number of elementary school children will creep up less than 1/2 percent between 1980 and 1985; if couples delay childbearing as projected

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[12] *Monthly Vital Statistics Report*, vol. 25, no. 6 (August 27, 1976).

[13] *Current Population Reports*, Series P-25, no. 601 (1975).

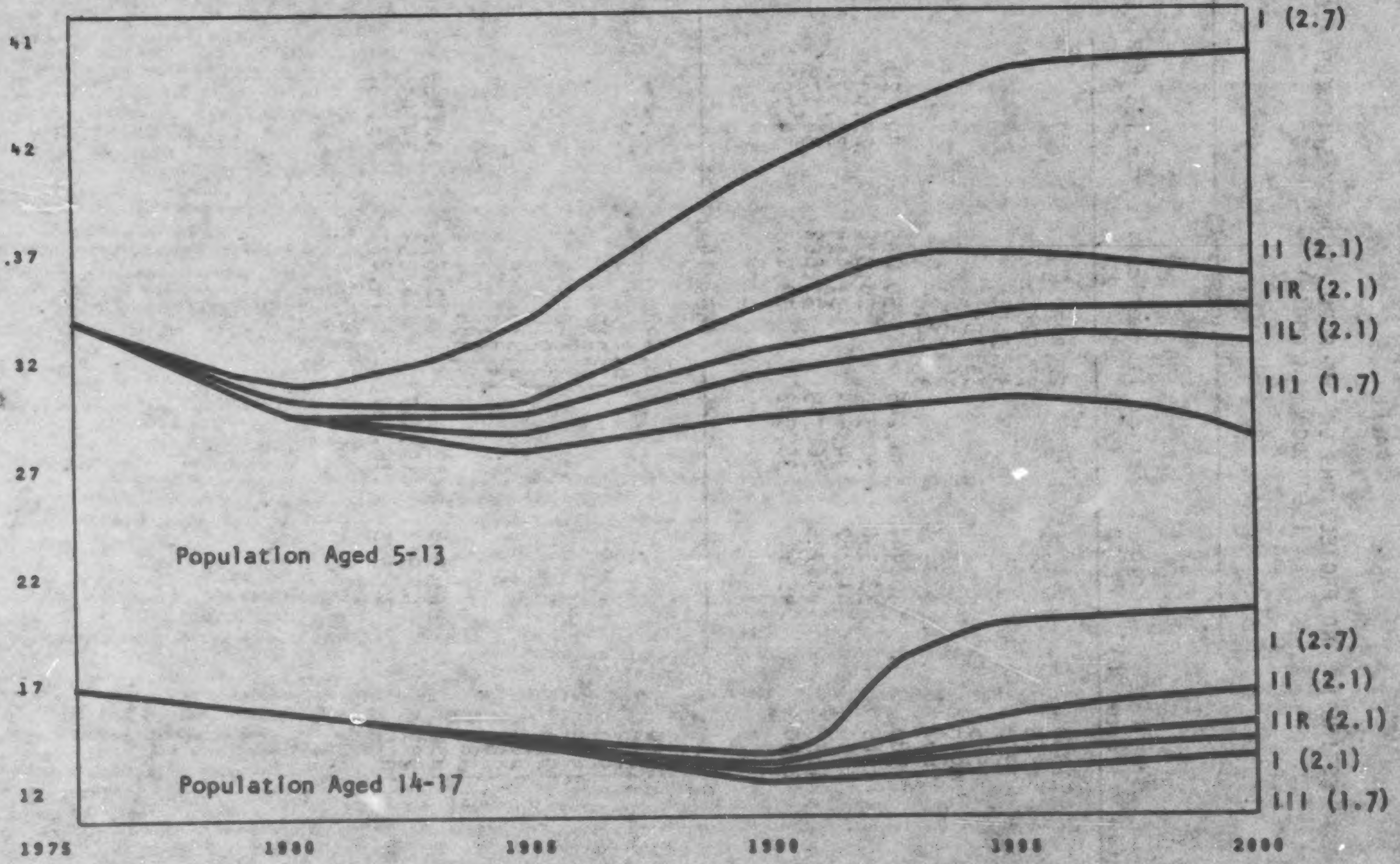
TABLE 2.5

ESTIMATES AND PROJECTIONS OF THE POPULATION BY SELECTED AGES: 1950-2000 (in 000's)

	Ages 5-13				
Years (July 1/June 30)	Series I (2.7)	Series II (2.1)	Series IIL (2.1)	Series IIR (2.1)	Series III (1.7)
1950	22,423				
1955	27,925				
1960	32,965				
1965	35,754				
1970	36,636				
1975	33,441				
1980	30,441	30,246	30,235	30,228	30,112
1985	33,330	30,380	29,378	29,645	27,954
1990	41,282	34,643	31,434	32,379	29,383
1995	45,725	36,799	32,868	34,179	30,320
2000	45,923	35,963	33,213	34,758	29,119
	Ages 14-17				
1950	8,444				
1955	9,247				
1960	11,219				
1965	14,153				
1970	15,910				
1975	16,923				
1980	15,753				
1985	14,388				
1990	13,538	12,941	12,879	12,867	12,463
1995	17,912	15,317	14,055	14,439	13,210
2000	20,575	16,752	14,873	15,432	13,915

FIGURE 2.3

POPULATION PROJECTION BY ASSUMED LEVEL OF FERTILITY



in Series II L, it could decline by about 3 percent. The following ten years to 1995 will see growth, however. In the five years between 1985 and 1990, the number of children of elementary school age will increase 12 percent, if the most likely age pattern of childbearing is followed.[14] There will be another 6 percent increase between 1990 and 1995. In 1995, there will be about as many children of elementary school age as there was in the peak year, 1970. Thereafter, the size of this age group will decline again for fifteen years. The decline will continue to 2010, when the projection shows a total of 34,335,000 children age 5-13 (about the level of the early 1960s).

In summary, the decrease in elementary school enrollments which has occurred since 1970 will, under Series II fertility assumptions, continue into the early 1980s. There will be no substantial turn around until after 1985. However, growth after that will be fairly rapid, since children of elementary school age will increase 12 percent in the next five years and 20 percent in the ten years between 1985 and 1995. The fifteen years after 1995 will again see a decline, but only between 6 and 7 percent.

It is the difficult task of educators to prepare not only for the substantial and inevitable decline of the next few years, but also to plan for a reasonably certain upturn thereafter. *There are very likely to be as many children in elementary school in 1995 as there were in the peak year of 1970, before the current decline.* Fortunately, there will be some advance notice of the upturn, as there was of the downturn, given the lag between birth and entrance into school. If births start to increase rapidly toward the end of the 1970s, as they will if Series II fertility is a reasonable choice, then educators should begin to inform the public of the need for increasing resources, preparing teachers, etc.

Implications for Enrollment in Secondary Schools (9-12)

Table 2.5 also presents estimates and projections of the population aged 14-17, which is the basis for secondary school enrollments.

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[14] If later childbearing becomes the mode, growth will be much slower, but it would continue into the twenty-first century. Under Series II L, there would be 19 percent more children age 5-13 in 2000 than in 1980; under Series II, there would be 19 percent more. Series II R is somewhat similar to Series II L in the sense of continuous growth beyond 1995, but the rate of increase is faster. If its assumptions were correct, there would be 15 percent more children in that age group in 2000 than in 1980 and the growth would continue into the first two decades of the twenty-first century.

The steady decline of nearly 25 percent from the current high of close to 17,000,000 to under 13,000,00 in 1990 is certain since most persons who will be that age in 1990 are already born. Growth after 1990 will be rapid, however. Between 1990 and 1995, numbers in that age group will increase nearly 19 percent under the Series II assumptions. Even under the less likely pattern of later childbearing in Series II L, those five years would see a 9 percent increase in young persons of secondary school age. Series II R fertility would cause a 12 percent increase.

Another 10 percent increase between 1995 and 2000, projected by Series II, would bring that age group nearly back to its peak 1975 level. All in all, if Series II is reasonably correct, and enrollment rates remain equal to current ones, we can expect a 30 percent increase in secondary school enrollments in the decade of the 1990s. Should childbearing be delayed (Series II L), the increase would be a more modest, but still substantial, 16 percent (20 percent under the pattern of II R).

The upturn in secondary school enrollments will be even sharper than that in elementary schools, just as the downturn will be, because of the smaller age span involved. However, the advance warning will be greater, too.

PROBABLE LEVEL OF FUTURE FERTILITY

The decline in fertility in the last decade has been attributed to a variety of causes. The various factors which have caused people, especially younger people in the prime reproductive ages, to lower their fertility can be conveniently resolved into two categories. These are: (1) the recent restriction in the opportunities for *economic advance* which may be bearing most heavily on younger persons; and (2) the extension to women of the long-time American ideal of *individualism*, and, possibly, the intensification of this ideal among men. (By individualism, I mean the beliefs that adults should be independent "captains of their fate" and that they have the right to pursue self-fulfillment through a wide range of personal choices.)

One manifestation of the growth in individualism is an increased questioning (if not outright rejection) of the social norms about the desirability of marriage and childbearing, especially as an exclusive life goal for women. This questioning appears to have intensified the dampening effect on fertility that economic adversity normally has in modern, industrial societies. People who are not sure what they want in life and who are also uncertain about their economic future are usually not inclined to found families. Even those who decide they do want children would be likely to have fewer than in more affluent times.

In trying to choose a likely level of future fertility, therefore, it is necessary to consider whether and to what extent heightened individualism and a difficult economic situation will continue into the future. Will the questioning attitude about the desirability of domestic commitments be transmitted to those who will be twenty to twenty-nine in the mid-1980s, or is it a current fad? Will such an attitude become entrenched among all social groups or will it be confined to a few? Will the state of the economy improve sufficiently to restore a sense of expansiveness and confidence among younger people? (The uncertainties in predicting even the ultimate level of fertility, not to mention the yearly fluctuations demonstrated by the above variables, show how fortunate educators are that they have several years to plan after the actual number of births become known.)

The Economy

Predictions about the future of the economy are no more noteworthy for their accuracy than are predictions of future fertility behavior. A couple of observations are possible, however. Current economic problems apparently stem, at least in part, from the sudden ending of an era of cheap energy, which in effect has reduced real national income. How disastrous the rising cost of fuel turns out to be depends in great measure on our political skill, both foreign and domestic. Nevertheless, it seems safe to say that the situation does not augur well for economic expansion and the growth of real income, at least for the next few years. I do not want to imply that growth in real income will cease, but that it may be slower and more difficult to achieve than in the past. New discoveries and technologies may change conditions, but probably not within the next decade.

Another factor arguing against a rapid return of economic expansion and the associated attitudes among younger persons is the relative size of the cohort to which they belong. Persons born from 1946 to 1964, the "baby boom" cohorts, have formed a bulge in the age structure, which first influenced the sale of baby goods and suburban houses, then put a strain on the capacities of the school systems, and is now pressing on the ability of the economy to provide entry level jobs. Youth unemployment has risen steadily since the late 1960s.[15]

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[15] It is, however, difficult to separate the cohort effect from poor economic conditions in general. Between 1970 and 1975, the unemployment rate for men twenty-five to thirty-four rose more rapidly than that for men twenty to twenty-four. *Current Population Reports*, Series P-20, no. 292, "Population Profile of the United States: 1975 (March 1976), p. 30.

The possibility that persons belonging to the large cohorts of the baby boom will have relatively fewer opportunities and relatively more difficulties in advancement than smaller preceding cohorts, and consequently, lower fertility, has been suggested by several researchers.[16] The effect of relatively stiff competition for jobs and subsequent promotions can only be exacerbated by the high proportion of young people with college degrees, because the number of jobs which require a college education do not appear to be growing as fast as the number of degreeholders.[17] To be thwarted in attaining expected positions is not conducive to settling down and making long-range commitments, even if one attains an ample income.

If, in fact, the economic situation does not improve greatly in the next decade or decade and a half, and if the relatively larger size of the baby boom cohorts causes their individual economic opportunities to be less than those enjoyed by their parents in the 1950s and early 1960s, then it seems probable that fertility will remain at low-to-moderate levels through much of the 1980s.[18]

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[16] Richard A. Easterlin is the most prominent. See his "The Conflict Between Aspirations and Resources," in *Population and Development Review*, vol. 2, nos. 3-4 (September-December 1976), pp. 417-25.

[17] The proportion of persons twenty-five to thirty-four with college degrees increased between 1970 and 1975 from 15.8 to 21.4 percent. About 30 percent of persons twenty and twenty-one years of age were enrolled in college in 1975, so the *proportion* of degreeholders in the future does not appear likely to diminish. (CPR Series P-20, no. 292, p. 19). The *numbers* of persons in the twenty-five to thirty-four age group will continue to rise into the 1990s. Thus, the numbers of persons under thirty-five with college degrees in the 1980s and 1990s will be considerably larger than those aged fifty and older, whom they will seek to replace in the promotion ladder. For a discussion of the falling returns to a college education see: R. Freeman, *The Declining Economic Value of Higher Education and the American Social System*, Aspen Institute for Humanistic Studies, Occasional Paper, 1976; S. Dresch, "Demography, Technology and Higher Education: Toward a Formal Model of Educational Adaption," *Journal of Political Economy*, p. 83.

[18] i.e., at the level generated by Series II and its variants or by Series III, actual hardship or lesser opportunities might not be necessary. Richard Easterlin made the point that the parents of the baby boom children had been raised in hard times and did not, therefore, have high levels of material expectation. They could satisfy both a desire for children and raise their standards of living in the expansive 1950s. R. Easterlin, *Population, Labor Force, and Long Swings in Economic Growth: The American Experience* (New York: Columbia University Press, 1968), Chapter 5. For many people born in the 1920s and 1930s, the decision to have a third and fourth child came while they were enjoying a level of prosperity and security they had never imagined possible in their childhood.

By the latter 1980s, the smaller cohorts born after 1965 will begin to reach job entry and family building age. If their relatively small numbers cause an expansion outlook for them, they may opt for greater domestic commitments and fertility would rise. If the general economic situation improves at the same time, earlier cohorts might revise their desired family sizes upward, causing fertility to rise very sharply indeed.

Interest in the possible influence of the size of a cohort on its fertility (because of relative economic opportunities) has been sufficient among economists and demographers to cause the Census Bureau *to project fertility on that assumption*. The projection, called Series II R, was, however, keyed to eventual replacement level fertility; i.e., an average of 2.1 children per woman at steady state. This avoids the theoretical difficulties associated with projecting infinite growth or decline, but constrains the projected fertility for most cohorts below what has been the experience in the recent past. For the purposes of the projection, it was assumed that a cohort size of 3.8 million would have replacement level fertility. Cohorts of 4.2 million, like those of the late 1950s and early 1960s, would average 1.9 children while the smaller cohorts of the early 1970s would average 2.2 to 2.4 children.

Technical problems of projections aside, I believe the acceptance of 2.1 children per woman as the most reasonable by the Census Bureau rests more with their assessment of the significance of social trends categorized as "individualism" than with economic factors.

Individualism

The assertion that many of the trends associated with and presumed to underlie the recent decline in fertility are manifestations of an expanding individualism is not easy to prove. It is certainly not amenable to the quantitative proof which demographers prefer. At least two of these trends--the increased participation by women in the labor force, and increased proportions of single women under the age of twenty-five--could well have other causes, such as economic need or uncertainty. Yet, inspecting the range of social variables that have changed so conspicuously during the period of declining fertility--the labor force participation of women, including married women with children, the entry of women into careers that require serious, full-time commitments, the divorce rate, the proportion of women under twenty-five who are single, the use of more effective contraceptives, the acceptance of abortion--does suggest that many people, and especially many young women, have decided to pursue interests other than, or in addition to, marriage and childbearing. Furthermore, this decision clearly arises from an increasing recognition of the right of women to make choices based on individual goals.

In the last decade or so, the right of women to choose careers other than marriage and motherhood and to have individual interests in addition to their family roles has been publicly legitimized. Indeed, in some social groups, the cultivation of interests outside the home has come to be regarded not only as legitimate, but as desirable. Childrearing is competitive with non-familial interests, especially for women, on whom the burden of children has traditionally fallen. Fertility will tend to decline as non-familial interests assume greater salience. Few people wish to totally deny themselves the satisfaction of family life, so those couples where both partners wish to pursue non-familial or individual interests will tend to have the minimum number of children customarily thought acceptable--two.

A society in which *all* women are highly motivated to limit themselves to two children will fall short of replacement because not everyone finds him or herself in a position to have children, nor is everyone capable of having two children. However, some couples will probably want more than two, so it can be reasonably assumed that most cohorts will approach replacement level fertility. Current cohorts of young women show signs of adopting this pattern. Recent survey data collected by the Bureau of the Census about the birth expectations of young wives eighteen to twenty-four show that 58 percent expected just two children, and nearly 75 percent expected two or fewer.[19] If these young wives do achieve their expectations (and other fertility surveys have shown a fairly close connection between the number of children women say they want and how many they eventually have[20]), they will experience 2.17 births per woman, on average. Since women who are married at eighteen to twenty-four tend to have more children than the cohort average, this works out, after the appropriate adjustment, to just about replacement fertility.

At present, it appears that the increasing acceptance of the rights of women to give priority to individual, non-familial interests, combined with a lessening of economic opportunity, will lead to replacement level fertility--the Census Bureau's Series II, or some variant thereof for the *current* cohort of young women.

Can we expect women to *continue* to develop their individual interests at the expense of their family roles, or is this a temporary fad, encouraged by economic adversity? After all, the previous low in completed fertility, 2.18, or just above replacement, was experienced by women who were of peak childbearing age during the Great Depression (the cohort born from 1906 to 1910). Completed fertility of younger women through the birth cohort of 1941 to 1945 is or will be in general much higher.[21]

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[19] *Current Population Report*, Series P-20, no. 228, June 1975.

[20] This has been observed in a number of follow-up studies. An interesting example is found in the *Current Population Report*, Series P-20, no. 277 (February 1975), Table C, p. 4.

Will good times in the future cause later cohorts to return to three- and four-child families and the traditional male/female roles that implies? I do not think so. On the contrary, I believe we can expect a diminishing proportion of women to devote themselves solely to the roles of wife and mother, whatever the economic situation. In my opinion, this development is a natural one for American society which has always placed a high value on independence and individual freedom. While the principal adherents to these values were assumed to be men, independence has generally been admired in women as well, except in their relations with their immediate families, especially their husbands. The dependent status of wives has been the only adult dependency that American society has validated. However, women have not necessarily been raised to be dependent, or more accurately, feminine upbringing for dependency and its inevitable inferiority of status vis-à-vis the husband has not been thoroughgoing. Boys and girls have been accorded a *relatively* high degree of equality for a long time in American society, particularly in basic education. Access to secondary schooling has been fairly equal for the sexes for decades, and education has usually been co-educational. More recently, at least since the fifties, middle-class families have tended to send both sons and daughters to college, though males were, on average, favored.

Adulthood, however, marked an abrupt change. Men went on to careers and jobs as independent persons, but women were expected to accommodate to, and indeed to strive for, a socially and economically dependent status at variance with their previous training. The consequent inherent strain in the role expectations of American women was specifically noted as far back as 1942 by Talcott Parsons.[22] Stressful situations are usually accepted only if there are no reasonable alternatives, actual or perceived. The recognition of women's right to choose individual goals and the consequent pressure to expand opportunities for women has provided alternatives, especially for younger women. The possibility of such alternatives seems to have actually increased the strain of the traditional role for many women.

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[21] By 1975, women in the cohort borh from 1941 to 1945, who were then thirty to thirty-four years old, had already borne 2.209 children. The completed fertility of the 1906-1910 cohort (at age 50-54 in 1960) was reported to be 2.18.

[22] T. Parsons, "Age and Sex in the Social Structure," *American Sociological Review* 7 (October 1942): 604-16.

It is not suggested that all women would choose full-time, lifelong careers instead of motherhood. Such an idea is simply the obverse of the old coin of socially, rather than individually, determined lives for women. Rather, the majority of women will likely try to combine a life commitment to work outside the home with childrearing. However they manage their interrupted careers--part-time work, childcare, equitable sharing by husband and wife--it is not conducive to large families. I expect for most couples, two children would be the limit and that cohort averages will tend to approach the replacement level of about two per woman.

POST-SECONDARY ENROLLMENTS

A principal cause of uncertainty in post-secondary enrollment projections, unlike those for elementary and secondary schools (at least at the national level), is estimating the proportion of young people who will choose to go to college. The past, especially the recent past, has seen continual growth in both the rate of attendance and the size of the population of college-going age (usually considered to be from the ages eighteen to twenty-one or eighteen to twenty-four).[23] The result has been academic and financial planning based on the presumption of continual growth. However, a careful consideration of probable future trends, including a known decline in population, indicates that the extraordinary growth in post-secondary enrollments of the recent past will, at best, slow down substantially and may well cease. The changes began to appear in the early 1970s.

From the mid-1950s to the end of the 1960s, a period of about a dozen years, American higher education experienced unparalleled growth. Between 1960 and 1970, the total number of students in degree credit courses more than doubled, rising from 3.6 to 7.9 million.[24] Around 1970, however, the rate of enrollment increases began to slow down. Between 1970 and 1974, total degree credit enrollment increased at an average annual rate of only about 2 percent a year, compared to 8 percent yearly during the preceding decade.[25]

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[23] The population of college-going age declined in the 1950s as a result of the low fertility of the 1930s; however, the increase in the rate of attendance more than compensated, so that enrollment increased.

[24] U.S. National Center for Educational Statistics, *Projections of Educational Statistics, 1979-80* (1971), p. 23, and *1981-82* (1973), p. 24.

[25] U.S. Census Bureau Survey, reported in the *Chronicle of Higher Education* (March 17, 1975), p. 1.

The Rate of Attendance

Carnegie Council studies have shown that 55 percent of the increase in the 1960s could be attributed to increasing rates of enrollment and 45 percent to increase in population in the college-going ages. The greater importance of increasing rates of attendance in the achievement of enrollment growth has been true during most decades since 1870, although the college-age population has been increasing as well.[26] The decrease in the rate of enrollment increases after 1970 has been largely because of an actual decline in the rate of college attendance among young people eighteen to twenty-four years old.[27]

The recent decline in the rate of attendance has been attributed to a number of factors. The Carnegie Council book, *More Than Survival*, lists four as the most significant:[28] (1) the abolition of the draft; (2) sharply rising costs of attendance; (3) job market changes, especially for school teachers; and (4) liberalized rules permitting deferred admissions and leaves or "stopping out." These reasons suggest the possibility that the current decline is a temporary setback in the long-run growth of attendance. Relative costs of attendance can change as can job market prospects, and a steady stream of deferred admittees and persons returning from "stop-out" periods would eventually correct the early deficits.

Assuming that the *decline* is temporary, however, does not necessarily imply an expectation that the previous rate of increase will resume. An important segment of current opinion proposes that, even though the decline of the last few years has been caused by factors presumed temporary, an increase in the proportion attending college, especially the rapid rate of increase experienced through the 1960s, will not occur again.[29] The principal grounds for this belief include forecasts of the educational requirements of future employment, the already high proportion of persons who graduate from high school, and of high school graduates who go on for higher education, and the financial uncertainties surrounding higher education.

The idea that there is a fixed proportion of jobs requiring a college education and that the market is or is about to be saturated with degreeholders is challenged in the Carnegie volume, *New Students and New Places*. The authors point out that there are social and cultural, as well as economic reasons for college attendance and that employers are likely to raise their requirements in tight labor markets.[30]

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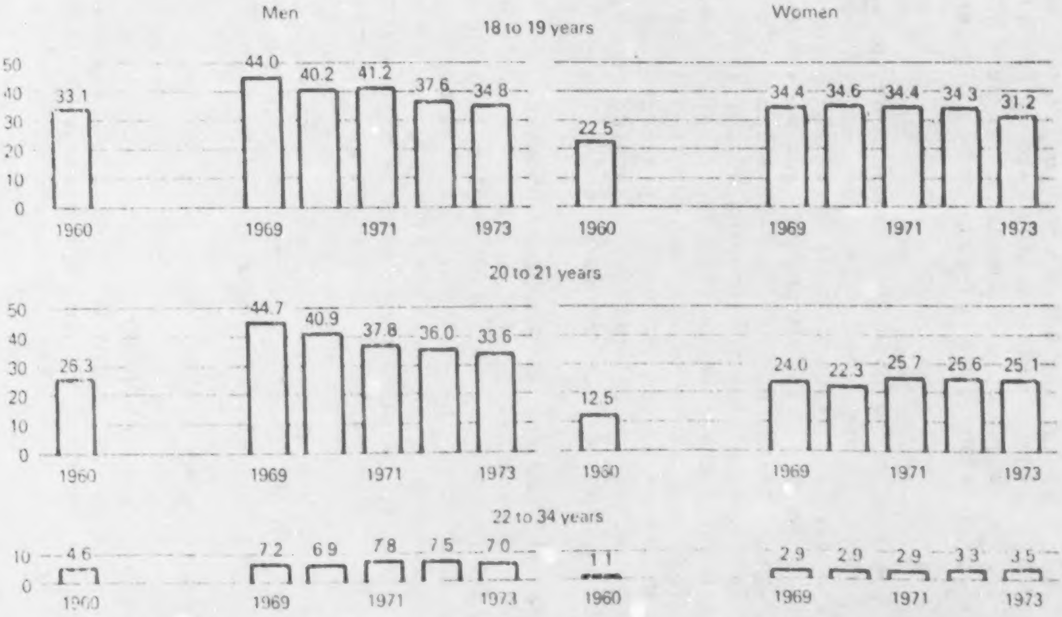
[26] Carnegie Council, *More than Survival* (San Francisco, Calif.: Jossey-Bass, 1975), p. 29.

[27] *Ibid.*, pp. 31-32. [28] *Ibid.*, p. 31. [29] *Ibid.*

[30] Carnegie Commission, *New Students and New Places* (October 1971), pp. 53-54.

FIGURE 2.4

ESTIMATED UNDERGRADUATE DEGREE-CREDIT ENROLLMENT AS PERCENTAGE OF POPULATION, BY AGE AND SEX, 1960 AND 1969-1973



SOURCE: Adapted from U.S. Bureau of the Census data by the Carnegie Council.

Nevertheless, the authors include the problem of job market saturation among the factors causing uncertain enrollment predictions.[31] It is given a less ambivalent and more central position in many other studies.

The argument that the high proportion of college-age persons currently attending renders a continuation of past increases unlikely is based on the assumption, usually implicit, that not everyone can benefit from formal education after high school and that the larger share of those who can are already attending. Whatever the merits of this viewpoint, the fact is that the *historic rate of increase* in proportion attending college has a *necessary limit*, even if all were to ultimately attend. In the 100 years between 1870 and 1970, the proportion of persons eighteen to twenty-one attending college increased from 2 to 35 percent a year, an average increase in proportion attending of about 2.9 percent a year.[32] Were that rate to continue, there would be 100 percent attendance by the year 2006, at which point further increases would obviously cease.

Any assumption of less than 100 percent ultimate attendance brings the date of cessation of increase closer. More important for short-term enrollment projections, current social and economic conditions suggest that whatever the proportion attending may ultimately be, further increases will be more difficult to achieve than were past increases, and hence will come about more slowly. The *rate of increase* (if any) in the future *should therefore be less* than it has been, until it finally ceases.

The authors of *New Students and New Places* "expect the percentage of college-age population (which they define as eighteen to twenty-one years of age) actually in college . . . to level off at about 50 percent in the year 2000 . . ." Their calculation of a 50 percent attendance rate assumes that persons from the lower half of the socioeconomic scale will attend at the same rate as those from the upper half and that all states will achieve the high school graduation rate (90 percent) and the high school graduate college entrance rate (75 percent) of the current top states. The implicit assumption is that the attendance rate of the more favored sections of society has reached a maximum practical level (either because of ability or employment requirements or both) and that the only possible growth can come from those now unable to attend because of lack of opportunity. An increase to a 50 percent attendance level by 2000 from the 35 percent in 1970 would require an increase in proportion attending of about 1 percent a year, distinctly smaller than the 2.9 percent average of the previous century.

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[31] *Ibid.*, p. 3. [32] *Ibid.*

Population Growth

The increase in the proportion of persons of college age (18-21 or 18-24) who enroll in institutions of higher education has been the most important factor in the historic growth in college attendance, but increasing population in this age group has also played a part.[33] This was especially true of the rapid growth of the 1960s, when sheer increase in numbers of eighteen to twenty-one year olds accounted for 45 percent of the increase in enrollments.[34] In fact, that decade saw the most rapid growth in the numbers of persons eighteen to twenty-one years of age since the middle of the nineteenth century--an increase of about 44 percent. While growth rates of this magnitude could conceivably recur, they will not do so in the next two decades, nor well beyond that, assuming Series II fertility. (Between 1970 and 1980, the number of persons of that age will have risen nearly 15 percent. In the decade of the 1980s, it will decline nearly 15 percent; the subsequent five years will see a further 6 percent decline.)

The rapid increase in the college-age population during the 1960s was the result of the juxtaposition of the low fertility of the depressed 1930s and the postwar "baby boom." Between 1960 and 1970, the number of persons eighteen to twenty-four, perhaps a better age span to nominate as the "college-age population," rose 53 percent. Persons eighteen to twenty-four years old in 1960 were born from 1936 to 1942, which were predominantly years of low fertility. Those eighteen to twenty-four in 1960 were born from 1946 to 1952. Many couples who had postponed childbearing in the 1930s or during the war years "made up" the deficit then. The year 1947 had the highest birth rate (26.6/1000) in more than twenty-five years, one not matched since. Numbers of births fell a little over the next five years and then began to rise again in 1951, reaching an all-time peak of 4,308,000 in 1957. However, the rate of increase after 1951 was less than that from the end of the 1930s to 1947.[35]

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[33] Over the long-term, the relative role of increasing population has not been great. Between 1870 and 1970, college-age population almost quintupled. (Based on persons 15-24, *Historical Statistics of the United States, Colonial Times to 1957* (Washington, D.C.: 1960), Series A71-85, and *Statistical Abstract of the United States* (Washington, D.C.: 1972). During this period, total degree credit enrollment increased nearly 150 times, from 52,000 to 7,760,000 (Carnegie Commission, *New Students and New Places*, p. 128.)

[34] Carnegie Commission, *New Students and New Places*, p. 127.

[35] Numbers of births were 57 percent higher in 1947 than in 1937--3,817,000 compared to 2,413,000. This implies an average annual rate of increase of 4.6 percent. Between 1947 and 1957, the increase was 12.9 percent (from 3,817 to 4,308,000 births) or an average annual increase of 1.2 percent).

The estimated number of persons eighteen to twenty-four and the numbers projected under Series II fertility is (000):

Series II:	1960	16,128
	1965	20,293
	1970	24,683
	1975	27,575
	1980	29,441
	1985	27,834
	1990	25,162
	1995	23,641
	2000	26,328
	2005	29,164
	2010	29,198
	2015	27,848

Between 1980 and 1995 there will almost certainly be a 20 percent drop in this age group (the projected figure for 1995 is virtually identical under all Series because most of the persons who will be eighteen to twenty-four in 1995 have already been born). Increase thereafter will be rapid, although that age group will not approach the 1980 level until after the turn of the century. The fifteen-year decline from 1980 to 1995 will be nearly made up in the following ten years (1995 to 2005), but increases of the magnitude experienced in the 1960s are not expected. (If Series II fertility projections are correct, the number of persons eighteen to twenty-four will increase about 23 percent in the ten years between 1995 and 2005; from 1960 to 1970 numbers of persons in that age group increased 53 percent.

Institutional Response to Enrollment Decline

The combination of a declining population in the usual college-attending ages and a slowly increasing proportion attending, at best, almost certainly portends a decline in enrollments in higher education in the 1980s. The average annual decline in the eighteen to twenty-four-year-old group will be about 1.8 percent a year in the twelve years from 1980 to 1992. The increase, if any, in the proportion attending is unlikely to offset that.

The effects of this probable decline, however, will not be felt equally by all institutions of higher education. The differential effect by type of institution is the subject of the Carnegie volume *More Than Survival*.[36] Carnegie does not predict much, if any, decline in overall enrollments because they assume a rising enrollment rate. This prediction is based on past trends for:

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[36] Carnegie Council, *More Than Survival*, p. 3.

- Part-time students
- Non-degree credit students
- Students older than twenty-two
- Graduate and first professional degree students
- Women, blacks, and other minorities

It also assumes a return of white, male enrollment to its 1960's peak and an increase in student aid. Some of these underlying assumptions appear a little optimistic and the authors acknowledge that a decline in total enrollments could in fact occur. Their analysis of the differential effect by type of institution, however, holds for stability or decline.

The authors distinguish six categories of institutions of higher education: (1) universities; (2) comprehensive colleges and universities (the latter with limited doctoral capacity); (3) highly-selective liberal arts colleges; (4) less highly-selective liberal arts colleges; (5) public; and (6) private two-year colleges.

Enrollments were projected according to several assumptions about the future shares of total enrollments each of these categories would get. Five different models were used. The first three models involve simply projecting forward different current values (current shares would remain constant or the rates of change in shares from 1963 to 1973, or 1968 to 1973 would continue). This is essentially the method used by HEW in their *Projections of Education Statistics* series; that is, a straight-line projection based on recent rates.

The second two models are more analytic. The first assumes that changes in total enrollment shares are determined by four *external* factors--population change; the market for teachers; the interest in part-time non-degree credit study; and public policy toward the support of private institutions. Examination of these factors indicates growth for public community colleges, retention of the status quo for the highly-selective liberal arts colleges, and relative loss for all the other categories.

The fifth model assumes that future shares will depend on the ability of the institution to make selective adjustments to future change, in particular, to decreased enrollments and to financial stringency. The characteristics which are thought to determine the degree of possible institutional flexibility, with the advantageous qualities for those characteristics in parenthesis, are:

- Size (large)
- Location (urban)
- Competitive status (relatively lower tuition)
- Reputation (well-defined mission or ambience)
- Age (well-established)
- Past decisions, especially those of the 1960s (modest, planned, not over-optimistic growth)

- Graduate enrollment and specialization (less)
- Health professions (established programs)
- Financial condition (healthy)
- Management and attitudes toward reality (willingness to face facts, share information, and be accountable to those who provide support)

On the whole, the authors believe the universities and public community colleges have above-average adjustment capability, while the less highly-selective liberal arts colleges, the private community colleges, and some of the comprehensive colleges and universities (especially the private ones), have below-average ability to adjust. The highly-selective liberal arts colleges and the better-managed comprehensive colleges and universities, especially the public ones with the lower tuition, are considered average.

Synthesizing the analysis of the several models, especially the last two, to forecast enrollment shares, the authors conclude that public community colleges, universities, and highly-selective liberal arts colleges will do relatively well in enrollments and institutional well-being, while the other categories will, as a rule, do less well. Among the reasons for their conclusion is the greater possibility of flexibility in the former institutions, especially the multi-campus universities, in facing declining and fluctuating enrollments.

PREPARING FOR ENROLLMENT CHANGES

It will not be sufficient to simply monitor the national birth rate to ascertain probable enrollment changes within local school districts. Growth, like decline, will occur more sharply in some areas than in others. Aside from any local differences in birth rates, there are important differences in migration, both regionally (e.g., the movement from the northeastern and north-central states to those of the southwest and west) and within regions (e.g., from central cities to suburban rings and to rural areas).

Unfortunately, projections of local populations by age are not easy to do because they depend so heavily on estimating future migration patterns. The demographic art of local migration forecasting is considerably less satisfactory than even annual fertility forecasting. In many instances, it is not even possible to know with any exactitude what recent *past* migration patterns have been, much less to forecast them. On the whole, U.S. migration statistics are awkward to collect and to analyze because we do not keep registries of movement as we do of births and deaths. We depend on the census, including special surveys, and on retrospective reporting to understand migration patterns. Often all that can be known is the net migration; the exact numbers of immigrants and emigrants which compose that number can only be surmised.

Nevertheless, planning for future flexibility in meeting enrollment change and for handling present crises requires some idea of the likely shape of future enrollments in local districts. It is, therefore, essential that administrators have access to the best estimate of their district's *current* population by age and that they develop their capacity to estimate its likely future configurations. While many of the largest school districts have staff who project enrollments--usually by the grade progression method combined with a local birth rate-based estimate of future kindergarten entrants--few are equipped to estimate the range of probable enrollments as much as five years, to say nothing of ten to fifteen years in the future. State governments should provide such demographic projection services to local school districts, perhaps in cooperation with the Bureau of the Census, which has done some work in the field of small area census in a project called the "Dual Independent Map Encoding File" supervised by Jacob Silver. Given the difficulties in predicting small area migration patterns, such services need the input of persons familiar with local problems and prospects. As part of the service, school administrative staff could be trained to monitor the situation from year to year and make tentative corrections based on current experience.

No state government agency is providing demographic services to local school districts anywhere at present, so far as I know. The state of California's Population Research Unit is probably one of the best state demographic units. It estimates population for approximately 500 cities and counties every year, does a range of projections (using several fertility and migration assumptions) by county and age every two to three years, and assists localities other than counties to do special censuses when requested. Since 1970, it has provided technical assistance, including final tabulations for special censuses, for twenty school districts which requested special financial assistance from the State Allocation Board because of sudden population increases. The Unit also projects education statistics, using the grade progression method and age participation rates. Enrollment projections at the K-12 level are done for the state as a whole; numbers of high school graduates are projected by county. The latter is a major input in the enrollment planning of the three segments of public post-secondary education in the state. Work is currently underway to develop projections for community college districts, because recent state legislation requires an annual estimate of the adult population for these districts.

Unfortunately, neither the projections nor the technical assistance of the Population Research Unit has been well-utilized by California's school districts. Many districts seem unaware of the Unit's work, others unsure how they can use it. At present, the Unit does not have the resources to conduct an outreach program or assist any great number of districts. The development of such a program would be a useful contribution to educational planning in California and elsewhere if it were used as a model for programs in other states. California would probably be the best location for a pilot project in the development of state-assisted local population/enrollment projections, because the state already has an active demographic unit.

The development of a pilot project to help school districts project their future enrollments and thus plan rationally would be one of the most productive uses of educational research money that agencies such as the National Institute of Education (NIE) could make. It would greatly aid administrators in developing long-range plans.

Suggestions for Responses to Fluctuations in Enrollments

Aside from developing procedures for *determining* likely local changes, it would be useful for educators to consider strategies of flexible *response* to rapid enrollment change. That rapid change is occurring and will continue to do so is virtually certain. Some areas will be more affected than others, but nearly all will be affected to some degree. Two possible examples of flexible response to rapid enrollment change include lease arrangements for prefabricated buildings centrally owned by the state or by a group of districts, and one year certification programs for holders of appropriate bachelor's or master's degrees.

The idea of a flexible physical plant arises from accounts of school closings and the attempts of school districts to sell or rent the property. Apparently it is not easy to find alternative uses for school buildings. In fifteen or twenty years, many districts may again need more classrooms, although differently distributed than those in existence today. This need, because of fertility change or migration, could be fairly short-lived.

While discussing strategies apparently designed to increase rapidly the supply of teachers seems a little out of place in today's market, the one year post BA or MA credential system actually allows for both rapid increase and contraction of the supply of new entrants. A person need not make a firm commitment to the field until the senior year and thus one need not predict the job market four years in advance. Plans for encouraging a rapid increase may not be entirely out of place, however.

A study by Peter Morrison points to the possibility of a teacher shortage sometime in the 1980s.[37] The factors thought to underlie this possibility are:

1. The poor job market, which is discouraging students from entering teacher training.

2. The age structure of the current stock of teachers and especially of the reserve pool of teachers, which consists of former teachers who left the field to raise families and whose children are either grown or considered old enough to leave. By the late 1980s, a large number of these persons, products of "the initial large cohorts of teachers produced in the mid-1950s, will be reaching advanced ages."

3. A projected annual increase of 2 to 3 percent a year in school enrollments, due to begin in 1985.[38]

I do not intend to defend either of the above strategies. I suggest them merely to urge educators to plan for flexible response to future ups and downs in enrollments. This should include somehow minimizing lengthy investments by the taxpayers in physical plant and by individuals in preparing for careers.

Planning for the projected growth of the late 1980s and 1990s and possible later downturns will be relatively simple compared with managing the downturn which is now underway and which will continue through the 1980s. The buildings are already there and so are the trained teachers committed to a career. The present crisis requires immediate action and outside technical assistance could be of particular help.

A number of districts have already faced the problem of surplus plant. It would be useful to collect accounts of how this problem has been coped with in various places, along with general advice from such professionals as architects and economists or others with background in property management. Advice in the political management of school closings might be even more valuable. These case histories and suggested solutions could be collected in a manual to guide other districts facing decline. Perhaps task forces of persons with experience in such matters could be set up to supplement the manual and to aid districts faced with the necessity to close schools.

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[37] Peter A. Morrison, *The Demographic Context of Educational Policy Planning*, Rand Paper Series, P-5592, p. 17-22.

[38] *Ibid*, pp. 18-19.

More serious than school closings, in my opinion, is the possibility of layoffs for teachers who have invested years in their professions. While some districts may be able to handle the matter through attrition, reassignments, and austerity (and could be helped to do so with experienced outside advice), others will not. The virtually certain 25 percent decline in secondary school enrollments will not be evenly distributed across the nation. Because of local age structure and migratory movement, some districts may well have secondary school enrollments drop to half, or less, of the current level. Teacher organizations and other groups should consider ways to ameliorate the impact of such layoffs, possibly including clearinghouses for employment outside as well as inside the profession, and insurance schemes to subsidize retraining. Such activities would be a useful addition to job security clauses in labor contracts because they would improve the future prospects for persons now teaching. At the least, teachers should be advised of the possibility of future employment problems because of projected enrollment changes in their districts and of ways to reduce the harm to themselves as individuals.

Even those districts which do not have to resort to layoffs will not be in a position to do much new hiring in the 1980s. While no scheme will make up for the loss of youthful energy and enthusiasm, "teacher renewal" programs could help moderate any tendency toward stagnation. For example, well designed in-service training could help keep experienced teachers up to date on promising new teaching methods and developments in their academic fields.

At the university level, the sabbatical system helps refresh teachers and also brings in new faces as their replacements. It is doubtful that most districts could afford a sabbatical program, but federally-financed fellowship programs might help. Another way to achieve some turnover would be for teachers to occasionally switch places. Ideally, a school which has developed an exciting new program would "lend" teachers to neighboring districts, who in turn would send some of their teachers to the innovative school. Opportunities for retraining and placement in other jobs might encourage those tired of teaching to leave the field, opening positions for the more enthusiastic. With the expected reduction in teacher turnover, another fruitful field for revitalization would be to establish teacher renewal centers. I do not intend to argue for the above suggestions, but I do encourage educators to plan for virtually certain future circumstances.

Table A-1: Projected enrollments in Grades K-12 in the United States, 197- 90.[1]

Grade	Enrollment in Year (in Thousands)																
	[illegible]	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
K	[illegible]	[illegible]	3,729	2,541	2,406	2,374	2,431	2,516	2,632	2,735	2,846	2,950	3,088	3,086	3,127	3,155	3,172
1	3,557	3,444	3,409	3,449	3,417	3,233	3,179	3,245	3,353	3,490	3,638	3,783	3,948	4,035	4,106	4,161	4,200
2	[illegible]	3,472	3,510	3,581	3,594	3,376	3,194	3,137	3,197	3,301	3,435	3,575	3,722	3,659	3,867	4,041	4,055
3	[illegible]	3,577	3,515	[illegible]	3,614	3,626	3,416	3,233	3,171	3,227	3,330	3,462	3,607	3,751	3,999	3,999	4,074
4	[illegible]	3,813	3,888	[illegible]	3,463	3,530	3,546	3,345	3,165	3,102	3,153	3,258	3,379	3,519	3,659	3,793	3,982
5	4,035	3,888	3,827	3,882	3,515	3,542	3,611	3,629	3,423	3,240	3,175	3,228	3,325	3,456	3,599	3,742	3,879
6	4,045	3,968	3,815	3,856	3,525	3,458	3,485	3,550	3,565	3,367	3,189	3,124	3,173	3,269	3,397	3,997	3,577
7	[illegible]	4,030	3,954	3,803	3,626	3,514	3,447	3,471	3,536	3,552	3,358	3,181	3,115	3,161	3,255	3,381	3,519
8	4,140	4,056	3,935	3,919	3,772	3,598	3,487	3,420	3,444	3,507	3,522	3,330	3,157	3,052	3,136	3,229	3,353
Total, K-8	33,554	32,854	32,358	31,891	30,982	30,251	29,796	29,546	29,475	29,521	29,646	29,885	30,432	31,224	32,135	33,039	33,871
9	4,038	4,057	4,005	3,944	3,870	3,723	3,552	3,442	3,378	3,407	[illegible]	3,400	3,239	3,117	3,054	3,099	3,191
10	3,104	3,984	3,986	3,933	3,875	3,802	3,657	3,488	3,363	3,320	3,346	3,469	3,420	3,230	3,063	3,003	3,058
11	3,653	3,691	3,852	3,871	3,623	3,569	3,501	3,367	3,211	3,114	3,058	2,983	3,342	3,152	2,974	2,819	2,765
12	[illegible]	3,695	3,896	3,896	3,716	3,672	3,619	3,552	3,420	3,267	3,167	3,108	3,128	3,183	3,192	3,023	2,679
Total, 9-12	15,330	15,367	15,339	15,244	15,084	14,766	14,320	13,849	13,398	13,103	13,032	13,080	12,879	12,682	12,283	11,844	11,676

[1] Estimated on the basis of U.S. Bureau of the Census Series II population projections and age-grade ratios from the U.S. Census of 1970.

SOURCE: See sources in Table 2.1.

CHAPTER III

RECENT ENROLLMENT TRENDS IN U.S. NONPUBLIC SCHOOLS

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INTRODUCTION

In his landmark study of U.S. nonpublic schools, published in 1972, Kraushaar indicated that nonpublic school enrollment crested in 1965, and had been declining since.[1] As is well known, enrollment has been diminishing in most of the nation's public schools as well during recent years. The work reported in this chapter was conducted in response to a request from NIE for an inquiry into recent and projected enrollment trends, and the most plausible causes and consequences for them in the nation's nonpublic schools. Time and money limitations ruled out a systematic national survey of nonpublic schools. While we have acquired and anlyzed much interesting and provocative information, our data has some serious limitations. Our conclusions, accordingly, will be cautious.

This document covers the ten years from 1965-66 (the high-water-mark year of non-public school enrollment documented by Kraushaar) to

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[1] Otto F. Kraushaar, *American Nonpublic Schools: Patterns of Diversity* (Baltimore, Md.: Johns Hopkins Press, 1972), pp. 12-17.

1975-76. Kraushaar estimated the national nonpublic school enrollment, elementary and secondary, to be 6,305,000 at the 1965-66 zenith, falling by almost a million to 5,530,000 in 1970.[2] In comparison with public schools, nonpublic schools had started to fall behind several years earlier (around 1959-60), for although nonpublic school enrollment continued to grow until 1965, public school enrollment grew more quickly. The nonpublic school share of the nation's students was 13.6 percent in 1959-60, but dropped to 11.4 percent by 1969-70.[3]

Kraushaar noted that the nonpublic school enrollment decline did not represent losses in all nonpublic schools, but was largely a reflection of enrollment decrements in Roman Catholic schools, which at the time of his study accounted for 77 percent of the total nonpublic enrollment.[4] He reported modest recent setbacks in Lutheran, Calvinist, and Seventh Day Adventist schools, but said most nonpublic school groups not affiliated with the Catholic church had grown steadily, and in some cases (e.g., Jewish day schools), dramatically.[5]

Though much may have happened since Kraushaar gathered his last enrollment date (in 1970), to our knowledge the national figures have not been assembled and analyzed in a reasonably comprehensive manner since that time. There has been some evidence, of course, to underline the need for a study of the present type. It was recently estimated, for example, that total nonpublic school enrollment, elementary and secondary, had diminished to 4,515,738 by 1974-75 (roughly one million below Kraushaar's figure of 5,530,000 for 1970, and nearly two million below his figure of 6,305,000 for 1965).[6] It was also estimated that the nonpublic school share of the nation's elementary and secondary student population had receded to 9.1 percent, as compared with Kraushaar's estimates of 13.6 percent in 1959-60 and 11.4 percent in 1969-70.[7] The same report indicated that some non-Catholic schools were continuing to grow but said nothing about the magnitude of the increases "because of the absence of data."[8] Interesting questions (several of which are discussed later in the present study) are raised by the fact that some nonpublic schools have suffered losses at the same time that others expanded, and by evidence that declines in some nonpublic schools have been more precipitous than public school declines during the same period.[9]

Our work is reported under five major headings: (1) Focus and Methodology; (2) National Overview; (3) Group Trends; (4) Collaborative

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[2] *Ibid.*, p. 14. [3] *Ibid.* [4] *Ibid.*, p. 15. [5] *Ibid.*, p. 16.

[6] "School Enrollment Trends," *Church and State: 29* (June 1976), pp. 6-8.

[7] *Ibid.* [8] *Ibid.*, p. 8. [9] *Ibid.*, p. 6.

Responses; and (5) Generalizations and Conclusions.

FOCUS AND METHODOLOGY

We attempted, where possible, to delineate the following for all major groups of nonpublic schools:

a) Reliable enrollment figures

b) Enrollment projections

c) Major causative factors behind enrollment trends

d) Strategies adopted to cope with declines or maintain growth

e) School characteristics altered because of enrollment shifts or associated phenomena

f) Current school conditions (staff, programs, finances, etc.); and

g) Evidence of predictable school life cycles

We were limited, in the main, to seeking enrollment data and other information and opinion from the national offices of all groups maintaining such offices. We also drew upon studies then in progress and upon the relevant literature. The information available for some groups was systematic and extensive, largely because the national offices in question had systematic data-gathering arrangements. For some groups of nonpublic schools, however, reliable information for the ten-year period under study was extremely difficult to obtain. Readers will notice, consequently, some obvious gaps and thin spots in our tables. With minor exceptions, our data were gathered between March and August, 1976.

NATIONAL OVERVIEW

Table 3.1 lists the nonpublic school groups surveyed as part of the study; the number of school children they enrolled in 1975-76 (in one case, 1974-75); the total number of school children accounted for by all the organizations, and the percentage share of the total enrollment belonging to each of the nonpublic school groups. Some overlap occurs in the table. Assembly of God schools, for example, typically join one of the umbrella Christian school organizations. Some Roman Catholic and Friends schools join the National Association of Independent Schools. These overlaps are not sufficient, however, to distort in any major way the proportions reported.

TABLE 3.1

PROPORTION OF TOTAL U.S. NONPUBLIC SCHOOL ENROLLMENT ACCOUNTED FOR BY MAJOR NONPUBLIC SCHOOL GROUPS, 1975-76

	Enrollment 1975-76	Percentage of Total
1. Roman Catholic Schools	3,415,000	75.9
2. Lutheran Schools		
a. Missouri Synod	165,604	3.7
b. American Lutheran	16,121	0.4
c. Wisconsin Synod	31,183	0.7
3. Seventh Day Adventist Schools	75,722[a]	1.7
4. Calvinist Schools (National Union of Christian Schools)	48,585	1.1
5. Evangelical Schools		
a. National Association of Christian Schools	23,185	0.5
b. Western Association of Christian Schools	63,131	1.4
c. National Christian School Education Association	38,175	0.8
d. Assembly of God Christian Day Schools	21,921	0.5
e. American Association of Christian Schools	94,722	2.1
6. Jewish Day Schools		
a. National Society for Hebrew Day Schools (Orthodox)	82,200	1.8
b. Solomon Schechter Day Schools (Conservative)	7,965	0.2
c. Reform Jewish	373	0.01
7. National Association of Independent Schools	277,406	6.2
8. Episcopal		
a. Parish Day Schools	5,536	0.1
b. Nonparish Schools	71,020	1.6
9. Friends (Quaker) Schools	13,801	0.3
10. Military Schools	13,600	0.3
11. Greek Orthodox Schools	5,009	0.1
12. Mennonite Schools	8,079	0.2
13. Nonpublic Alternative (Free) Schools	23,498	0.5
TOTAL ENROLLMENTS REPORTED	4,501,836	100.11[b]

[a] 1974-75.

[b] Because of rounding in calculation of percentages, they do not total precisely 100.0.

SOURCE: The source of data for each group is identified under the following section, "Group Trends."

A quick glance at Table 3.1 reveals that the Roman Catholic schools account for the largest proportion by far of the school children enrolled (somewhat over 75 percent). Among the other groups, only the member schools of the National Association of Independent Schools and the Missouri Synod Lutheran schools claim more than three percent of the total. The remaining organizations typically enroll less than two percent of the children tallied. Quite obviously, the nonpublic school movement has been, and continues to be, largely (though decreasingly) a Roman Catholic phenomenon.

Because of extreme difficulties in obtaining data, some very small groups of nonpublic schools are not included in this table--such as Amish, Hutterite, and Black Muslem schools. Nor does the table include, in any systematic way, the "protest schools" discussed later, for reasons that will later be clear.

In the following section, these group-by-group enrollments trends are discussed in more detail.

GROUP TRENDS

Roman Catholic Schools

Since the Roman Catholic schools, as we have seen, account for approximately 76 percent of total nonpublic school enrollment, elementary and secondary, and are the only sizable group of nonpublic schools showing a serious net decline over the ten years from 1965-66 to 1975-76, they demand more extensive discussion than any other single group.

Before the National Catholic Education Association's data bank began to produce comprehensive national data (for the period beginning in 1969-70), reliable national figures for the Roman Catholic schools were almost impossible to acquire. It was rare indeed to secure anything approaching adequate participation from all U.S. dioceses in any data-gathering effort. The estimated national Catholic enrollment total for 1965 (the 1965-66 school year, we assume), is 5,564,000 falling to 4,983,000 by 1968-69. This represents a loss of 581,000 students, roughly 10.4 percent of the 1965 total, and an average annual rate of attrition of something like 3 percent (see Table 3.2). By 1970-71, with much more reliable data available, the figure was down to 4,364,000, and the annual setbacks were more serious. During the three years from 1967-68 to 1970-71, the net loss was 878,000 students. Roughly 16.7 percent of the 1970-71 enrollment had disappeared; the annual rate of decline was averaging around 6 percent. Setbacks approaching or exceeding 5 percent occurred each year up to 1973-75 (7.5 percent by 1971-72, 5.8 percent by 1972-73, and 4.7 percent by 1973-74. Thereafter, the rate of diminution eased by 3.2

TABLE 3.2

NONPUBLIC SCHOOL GROUP ENROLLMENT TRENDS, 1965-1975

Nonpublic School Group	Enrollments 1965/66	Enrollments 1970/71	% Change 65/66-70/71	Enrollments 1975/76	% Change 70/71-75/76	% Change 65/66-75/76
1. Roman Catholic	5,573,810	4,364,000	- 21.7	3,415,000	- 21.7	- 38.7
2. Lutheran						
a. Missouri Synod	171,966	163,386	- 5.0	165,604	+ 1.4	- 3.7
b. Wisconsin Synod	27,448	29,050	+ 5.8	31,183	+ 7.3	+ 13.6
c. American Lutheran	8,795	9,926	+ 12.9	16,121	+ 62.4	+ 83.3
3. Seventh Day Adventist	50,465	no data		75,722[d]		+ 50.0
4. Calvinist (National Union of Christian Schools)	51,240[a]	51,182	- 0.1	48,585	- 5.1	- 5.2
5. Evangelical						
a. National Association of Christian Schools	32,003	50,860	+ 58.9	23,185	- 54.4	- 27.9
b. Western Association of Christian Schools	11,388	32,327	+ 183.9	63,131	+ 95.3	+ 454.4
c. National Christian School Education Assoc.[b]				38,175	+	
d. American Association of Christian Schools[b]				94,722[c]	+	
e. Assembly of God	3,110	7,462	+ 140.0	21,921	+ 193.8	+ 604.9
6. Jewish Day Schools						
a. National Society for Hebrew Day Schools (Orthodox)	63,800	75,000	+ 17.6	82,200	+ 9.6	+ 28.8
b. Solomon Schechter Day Schools (Conservative)	3,488	6,042	+ 73.2	7,965	+ 31.8	+ 128.3
c. Reform Jewish				373	+	
7. National Association of Independent Schools	199,329	221,216	+ 11.0	227,406	+ 2.8	+ 14.1
8. Episcopal Schools						
a. Parish Day Schools[e]	4,893[a]	4,559[f]	- 6.8	5,536	+ 21.4	+ 13.1
b. Nonparish Schools	55,060[a]	61,186[f]	+ 11.1	71,020	+ 16.1	+ 29.0
9. Friends (Quaker) Schools	10,878	13,706	+ 26.0	13,801	+ 0.1	+ 16.6
10. Military			-	13,600	-	-
11. Greek Orthodox		4,468	+	5,009	+ 12.1	+
12. Mennonite Schools	13,256	7,368	- 44.4	8,075	+ 9.6	- 39.1
13. Nonpublic Alternative (Free) Schools		13,142	+	23,498	+ 78.9	+

[a] 1966-67.

[b] Founded after 1970.

[c] Data derived from school enrollments reported in the 1975 membership listing. Included student enrollments in regular and affiliate member schools. Number of students in schools holding regular memberships: 49,324.

[d] 1974-75.

[e] Includes enrollments (including preschool enrollments) in schools offering some post-kindergarten education.

[f] 1969-70.

SOURCE: The source of data for each group is identified under the following section, "Group Trends."

percent by 1974-75 and a rather negligible 2.6 percent by 1975-76.

The current picture is better than many people had predicted. The 1974-75 and 1975-76 enrollment totals were 3,504,000 and 3,415,000, respectively, higher than the three million that Kraushaar reported some Catholic leaders around 1970 to be projecting for 1975.[10] Also, while these leaders thought Catholic schools might lose half their peak enrollment (which came in 1965) by 1975, the actual loss was 39 percent.[11] The *elementary* Catholic school enrollment ran around 2,525,000 in 1975-76, higher than the 2.15 million projected by a University of Notre Dame study published in 1971.[12]

The 1975-76 projection of another 1971 analysis turned out to be precisely on target.[13] To some extent, the general pessimism may have been a self-fulfilling prophecy, a "crisis of confidence," that helped produce attrition.

During the ten-year period in question (1965-66 to 1975-76), the rate of decline was approximately twice as great in elementary as in secondary Catholic schools, no doubt partly because a high proportion of the elementary schools have always been operated on a parish-by-parish basis, plagued by vagaries of single-parish finance, in- and out-migration, etc., whereas the vast majority of Catholic secondary schools are operated by dioceses or religious orders, which can absorb many parish-wide shocks, and which tend to recruit their students within much wider geographic ambits. Catholic scholars have criticized the parish-based system as being inefficient, unstable, and inequitable. It often imposes more severe fiscal burdens on poor families than on wealthy families, yet virtually eliminates the possibility of national or diocesan fiscal equalization.[14]

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[10] Kraushaar, *American Nonpublic Schools*.

[11] *Ibid.*

[12] Office for Educational Research, University of Notre Dame, *Economic Problems of Nonpublic Schools*, Report submitted to the President's Commission on School Finance (Notre Dame, Ind.: The Office, 1971), p. 163. The study was also unduly pessimistic in predicting that "1970-75 enrollment will be decreasing at a rate faster than in 1965-70" (p. 163).

[13] John D. Donovan, Donald A. Erickson, and George F. Madaus, *The Social and Religious Sources of the Crisis in Catholic Schools*, Vol. II of Donald A. Erickson and George F. Madaus, *Issues of Aid to Nonpublic Schools*, A Report to the President's Commission on School Finance (Chestnut Hill, Mass.: Boston College, 1971, offset), p. 44.

The Notre Dame study concluded the Catholic school enrollment decline was not basically attributable, in the Catholic elementary schools in the period up to 1970 at least, to either the dropping birth rate or, probably, to tuition increases. Using infant baptisms as an indicator, the study showed that the proportion of available Catholic children enrolling in Catholic schools was diminishing significantly.[15] In one important sense, however, the overall national figures were misleading. While the above-mentioned measure indicated an erosion of loyalty to the Catholic schools in the *suburbs*, when the St. Louis metropolitan area was examined, Catholics in the *city* were maintaining, or even augmenting, their loyalty.[16] The authors speculated that this differential attachment to the Catholic school was a function of the fact that, while public schools in the suburbs were reputed to be rather good, the city public schools had such bad reputations that many people were seeking an alternative. Little attention was paid to a rival explanation. When Catholics moved from city to suburb, Catholic schools were often no longer readily available to them. One can hardly patronize, and thus demonstrate loyalty to, nonexistent schools.

In Erickson's 1970 study for an Illinois legislative commission, an examination of national data showed a tendency for the rate of attrition from Catholic to public schools to increase from year to year at two critical points: between grades 2 and 3 (after a child had received first communion), and between grades 6 and 7 (at the point where many children entered the junior high school).[17] This increasing attrition could not, of course, be attributed to the birth rate decline. When data for the Chicago Archdiocese, the city of Chicago Heights, and north suburban Cook County were examined, it became obvious, as shown by the Notre Dame study discussed earlier, that the proportion of available Catholic children (as estimated from number of baptisms or first communicants) attending Catholic schools was falling year by year.[18] Here again were losses *not* produced by a birth rate decline. It was also clear, however, that these losses were in *addition* to the effects of declining births.[19] As Fuerst observes, the birth rate decline has not yet fully worked its effects up to the high school level, though it may have had some impact by prompting elementary school closures, and thus cutting off a major input to Catholic secondary schools.[20]

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[14] E.g., Office for Educational Research, University of Notre Dame, *Economic Problems*, Chapter 3.

[15] Office of Research, University of Notre Dame, *Economic Problems*, pp. 157-63.

[16] *Ibid.*, pp. 175-78.

[17] Thaddeus J. O'Brien, "Enrollment Characteristics," in Donald A. Erickson, *Crisis in Illinois Nonpublic Schools*, Final Research Report to the Elementary and Secondary Nonpublic Schools Study Commission, State of Illinois (Springfield, Ill.: The Commission, 1970), pp. 6-9, 6-11.

[18] *Ibid*, pp. 6-20, 6-22.

Discussing rising tuition costs, the Notre Dame report cites investigations in St. Louis, Atlanta, New York state, and the Archdiocese of New York, in which no statistical relationship between tuition and elementary school enrollment fluctuations were found, though shortcomings in the analysis prevent it from being viewed as conclusive.[21] A well-informed student of Catholic *secondary* schools insists that tuition charges are an important influence on enrollment at that level.[22] The two contentions are not necessarily contradictory because most Catholic elementary schools are subsidized very heavily by the parish and charge minimal tuitions, while Catholic secondary schools tend to rely on tuitions for a large proportion of their revenues.[23] It also seems likely that even minimal tuition increases will prove prohibitive for some groups such as impoverished black families seeking the services of inner-city Catholic schools left with empty desks by the flight of white Catholics to the suburbs. (There is support for this possibility in the study by Greeley, McCready, and McCourt.[24]

In Erickson's 1970 study, the likely causes of the enrollment decline in Catholic schools were summarized by Thaddeus O'Brien as follows:

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[19] *Ibid*, pp. 6-13, 6-17.

[20] Adrian Fuerst, "Coping With Declining Enrollment in the Non-Public Schools," paper presented at the 1976 Annual Meeting of North Central Association, Chicago, Illinois, March 30, 1976, p. 4.

[21] Office for Educational Research, University of Notre Dame, *Economic Problems*, pp. 157-63.

[22] Fuerst, "Coping with Declining Enrollment," p. 5.

[23] Office for Educational Research, University of Notre Dame, *Economic Problems*, Chapter 3.

[24] Andrew M. Greeley, William C. McCready, and Kathleen McCourt, *Catholic Schools in a Declining Church* (Kansas City, Kans.: Sheed & Ward, Inc., 1976), p. 230.

1. The declining birth rate, which has caused a sharp downward trend in the number of six-year-old youngsters available for entry into nonpublic (and nonpublic) schools.

2. Migration of families of nonpublic school students from central city locations where Catholic schools . . . tend to be concentrated to suburban areas where fewer Catholic schools exist.

3. A decreasing proportion of six-year-old children entering religiously-affiliated nonpublic schools as a result of changing parental preferences and *rising costs*. This is particularly true in certain suburban communities where the quality of the local public school is excellent and local taxes are collected almost exclusively for education.

4. Administrative decisions of nonpublic school officials (a) to close certain schools; (b) not to build new schools with the construction of new parishes; and (c) to control class size.

5. Increased tuition costs.[25]

Both the Notre Dame study and a Boston investigation by Donovan and Madaus emphasized that loyalty to the Catholic school was stronger among the less affluent, poorly-educated, older, more traditional Catholics, than among the more affluent, better-educated, more forward-looking adherents to the faith.[26] The implication seemed to be that as Catholics moved up the socio-economic ladder, Catholic schools increasingly lose out. As a major component of this line of reasoning, it was argued that as forward-looking, upwardly mobile Catholics were reassured by their new status in society and simultaneously affected by the modified doctrinal outlook symbolized and catalyzed by the Second Vatican Council, they would see less need for the "seige-oriented" Catholic schools and would turn increasingly to other methods for the religious education of their children.[27]

In the light of the recent work of Greeley, McCready, and McCourt, it appears that earlier analyses paid insufficient attention to the fact that the effects of the above-mentioned variables (income, education, ideology, age) could easily be confounded with the effects of geographic location. The wealthier, better-educated, less traditional, younger Catholics were concentrating more and more in the suburbs where, as a matter of deliberate policy, the Catholic bishops were refusing to build new schools, largely because they believed there was little demand among Catholics for these schools.[28] Greeley, McCready, and McCourt have produced evidence suggesting that a major factor in recent Catholic school enrollment declines is the unavailability of schools, not lack of interest among suburbanized Catholics.[29] It is also possible that the earlier analyses were basically correct, but that the deteriorating image of public education in recent years, both in cities and suburbs, has made Catholic schools more attractive than they were even five or six years ago.[30] At any rate, Greeley, McCready, and McCourt indicate that much potential money for Catholic schools is now in the hands of Catholics who have no schools to support.[31] Properly capitalized upon, this money (estimated at $1.8 billion), and the loyalty it represents, could form the basis for dramatic new growth in the Catholic educational sector.

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[25] O'Brien, "Enrollment Characteristics," pp. 6-12, 6-13.

[26] John D. Donovan and George F. Madaus, *Catholic Education in the Archdiocese of Boston: The Voices of the People* (Chestnut Hill, Mass.: New England Catholic Education Center, Boston College, 1969). Also, Office for Educational Research, University of Notre Dame, *Economic Problems*, Chapter 1.

[27] E.g., Mary Perkins Ryan, *Are Parochial Schools the Answer?* (New York: Holt, Rinehart and Winston, 1963).

Just as one cannot pinpoint with certainty the most important factors behind the Catholic school crisis, so no one knows why *relative stability* has been restored, though numerous elements may have contributed to the improvement. We have already mentioned one--the deteriorating image of many public schools. Another is the effort of Catholic leaders to adapt to changing conditions. These adaptations are worth investigating in their own right, even if we cannot be sure they helped mitigate the problems of the Catholic schools.

During the crisis of the late 1960s and early 1970s, Catholic schools collaborated with public schools in many arrangements designed to provide programs and services of attractive breadth and quality while minimizing costs. Much of what follows is drawn from twenty-four case studies prepared for the President's Commission on School Finance during 1970 and 1971.[32] Since the case studies do not represent a probabilistic sample, they cannot be used to estimate the prevalence of any of the arrangements delineated. Rather, the examples were selected to provide details about the dynamics and apparent consequences of the best-known approaches to collaboration between Catholic and public schools throughout the nation.

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[28] Greeley, McCready, and McCourt, *Catholic Schools*, pp. 8-9, 29, 230-35.

[29] *Ibid.*

[30] The younger, better-educated Catholics seem to have a *new* reason for valuing Catholic schools--not primarily religious instruction, as before, but *superior education*, *Ibid.*, pp. 227-28.

[31] The dollar potential is estimated at *$1.8 billion*, *Ibid.*, p. 259.

[32] Erickson and Madaus, *Issues of Aid*, Vol. III, Chapter IV.

Information gathered for selecting the sites to be examined suggested, however, that most of the approaches were rather widespread. In fact, some of them had been common for some time.[33]

Cooperative arrangements known as "dual enrollment" or "shared time" are perhaps the best-known of those exemplified in the twenty-four case studies. At the heart of this approach is the concept that students have the right to attend public schools, not merely on an all-or-nothing basis, but selectively. They should be free to engage in some activities in public schools while pursuing others in nonpublic schools. The most common approach is for Catholic students to journey to a nearby public school for courses that are relatively "value-free," yet expensive to offer because they involve elaborate facilities, costly equipment and supplies, or (because of a dearth of interested students) very small classes. Dual enrollment is obviously helpful to fiscally-pressed Catholic schools, but according to all the evidence available, it rarely, if ever, makes a life-and-death difference. It also entails major problems. While it may provide students with more elaborate programs without increasing costs, it tends to divide their loyalties between two schools, creates scheduling and transportation complications and, apparently, dilutes the impact of the Catholic school.

Akin to shared time is the practice of sharing facilities and services. We know it has been fairly common (though we cannot cite precise figures) for Catholic school students to use public school gymnasiums, playgrounds, auditoriums, or laboratories, and to benefit from the ministrations of public school nurses, guidance counselors, remedial reading teachers, speech therapists, and other specialists. This type of cooperation has often been done informally, without benefit of laws requiring or funding it. Much has been stimulated and financed by various state statutes, especially in impoverished areas, under Title I of the federal *Elementary and Secondary Education Act*. Ironically, when the services are provided only on public school premises, they are often rendered practically inaccessible (because of transportation and scheduling problems) to the Catholic school students who need them the most. However, when Catholic school premises are used for services that are "curricular" (e.g., remedial reading, guidance) rather than matters of "general welfare" (e.g., health services, busing), serious constitutional issues are raised, given the U.S. Supreme Court's "excessive entanglement" doctrine.[34]

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[33] Research Division, National Education Association, *Shared-Time Programs: An Exploratory Study*, Research Report 1964-R 10 (Washington, D.C.: The Association, 1964); James E. Gibbs, Jr., et al., *Dual Enrollment in Public and Nonpublic Schools: Case Studies of Nine Communities* (Washington, D.C.: U.S. Office of Education, 1965).

The collaborative approach which, in some forms, is perhaps most subject to constitutional attack, involves the exchange of services or facilities between public and Catholic schools by means of various *leasing* contracts. There have been instances, for example, in which Catholic school students, segregated into classes of their own, have been given instruction in classrooms within Catholic schools that are officially designated as "public" by being leased from the Catholic school by the public school. The instruction has been provided by Catholic school teachers who are put on the public school payroll, officially supervised by public school administrators, and thus designated as "public school teachers" insofar as these particular programs are concerned.

Constitutional issues aside, the cooperative arrangements described above seem mutually beneficial to the Catholic and public systems. Catholic school students receive services, supported by their parents' taxes, that might otherwise be denied. The public schools are more enthusiastically supported by Catholic voters, and sometimes public school students obtain special services that only the Catholic schools provide. Quite obviously, the public and private sectors in education both possess unique capabilities to contribute to the education of the young, and each has ample potential to assist or harrass the other.[35]

Catholic schools have developed new ways of cooperating, not merely with public schools, but with each other, especially to achieve economies of scale in purchasing, curriculum development, and the use of expensive facilities, equipment, and personnel. Twenty-three percent of the Catholic schools responding in a recent study by Olsen reported involvement in some type of inter-school collaboration.[36] Olsen documented fifty-one mergers, nine consortia, sixty-seven instances of shared programs, and twelve other types of sharing. No systematic national figures seem available.

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[34] "Suit Aims to Halt Title I Services on Premises of Church-Related Schools," *Outlook* (Washington, D.C.: Council for American Private Education, March 1976). Cf. *Meek v. Pittenger*, 421 U.S. 349 (1975).

[35] Donald A. Erickson, "The Public-Private Consortium: An Open-Market Model for Educational Reform," in Troy V. McKelvey (ed.) *Metropolitan School Organization*, Vol. 2: *Proposals for Reform* (Berkeley, Calif.: McCutchan Publishing Corporation, 1972), pp. 209-26.

[36] John D. Olsen, "Cooperative Efforts in Catholic Education," *Notre Dame Journal of Education 6* (Winter, 1975), pp. 323-27.

As another common response to the crisis, sometimes planned and sometimes probably inadvertent, many Catholic schools, especially in the inner city, have experienced a dramatic change in their student bodies from predominantly Catholic to predominantly non-Catholic in many cases, and often from predominantly white to predominately black. These student-body changes are to some extent discernible in the national data for Catholic schools. By 1970-71, 11.8 percent of Catholic school students were black, Spanish-surnamed, Oriental-American, or American-Indian, whereas the figure was estimated at 13.6 percent (14.3 percent in the elementary schools) by 1972-73. This is a remarkable change for schools that must pay their own way because most of these populations are impoverished. Furthermore, the 1970 census showed that only 12.5 percent of the national population was composed of people with these backgrounds. The figures also make clear, however, that these minority groups predominate in Catholic schools in the inner city.

These changes, in turn, have made experimentation with new methods and materials almost inevitable. The authors of this chapter are personally acquainted with once-traditional inner-city Catholic schools that have become exceptionally exciting centers of creative effort in recent years. Extensive involvement of Catholic schools in urban problems, often because of considerable diocesan subsidies and contributed services from religious orders, is further documented by data showing the existence of 1,401 inner-city Catholic schools serving 483,000 students in 1973-74. In Chicago, at least, it was shown in 1971 that these students were not "creamed off" in terms of their superior abilities as reflected in IQ tests. In fact, when Catholic and public schools in the same neighborhoods were compared, the city-wide average IQ scores for Catholic schools were slightly *lower* than those for public schools.[37] There was also evidence that the Catholic schools in the city were making their best resources available disproportionately to the poor and the black, while the public schools were doing so for the well-to-do and the white.[38] Somewhat similarly, a statewide study in Michigan found more evidence of equality of opportunity across student SES levels in nonpublic (primarily Catholic) schools than in public schools.[39]

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[37] Greg Hancock, "Public School, Parochial School: A Comparative Input-Output Analysis of Governmental and Catholic Elementary Schools in a Large City (Ph.D. dissertation, Department of Education, University of Chicago, 1971).

[38] *Ibid.*

[39] Donald A. Erickson, "Nonpublic Schools in Michigan," in J. Alan Thomas, *School Finance and Educational Opportunity in Michigan* (Lansing, Mich.: Michigan Department of Education, 1968), pp. 209-91.

Catholic school leaders have devoted considerable efforts in recent years to phasing out marginal inefficient schools in ways that would deny a Catholic education to as few students as possible, have instituted more efficient management systems (e.g., striking improvements in fiscal accounting in many schools), have marshalled the interest and assistance of capable Catholic laymen as never before, and have worked hard to convince potential patrons that, while some of the old characteristics of Catholic education have faded, these institutions still have unique advantages. Rather than lamenting the woes of a system in crisis, these leaders now accentuate the special strengths of their schools.

Manifesting the relative optimism now prevailing, the National Catholic Education Association has predicted a rather minor enrollment decline during the period from 1975-76 to 1980-81 of 7 percent (slightly more than 1 percent per year) at the secondary level and 14 percent (less than 3 percent per year) at the elementary level. NCEA thus projects that Catholic secondary schools will continue to be responsible for about 829,000 students, and the Catholic elementary schools for about 2,168,000. These are hardly the dimensions of a moribund enterprise. And the possibility highlighted by Greeley, McCready, and McCourt remains: The Catholic school enterprise may find a way of tapping the considerable reservoir of money and interest that seems available.

Lutheran Schools

The Schools of the Lutheran Church--Missouri Synod

The past ten years have also witnessed enrollment declines, though relatively minor, in the Lutheran schools--a total group second in magnitude within the nonpublic sector only to the Catholic schools. The three Lutheran school groups considered in the present study (Missouri Synod, Wisconsin Synod, and American Lutheran) enroll a total of about 212,908 students (see Table 4.1), nearly 5 percent of the national nonpublic total. At one time, numerous church-affiliated schools were maintained by many branches of Lutheranism in the United States. Historically, the Lutheran groups that closed most or all of their schools did so when conservative religious doctrines were being abandoned, ethnic distinctions were weakening notably, or both.[40] There is little significantly ethnic (e.g., use of languages other than English) to distinguish the two largest remaining groups of Lutheran schools--those operated by the Missouri and Wisconsin Synods, respectively. However, both groups do reflect the most conservative doctrinal positions in American Lutheranism today. Of these two, the one experiencing some enrollment declines (the Missouri Synod group) has been rent by strident battles over growing liberalism. (It is perhaps significant that one of the other large groups of church-affiliated schools in the United States--Seventh Day Adventist--also reflects a very conservative doctrinal stance.) There is reason to suspect that, even today, a major factor influencing church-school loyalties is the religious conservatism of the constituency.

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[40] See Kraushaar, *American Nonpublic Schools*, pp. 31-33, for a history of American Lutheran education.

The schools of the Lutheran Church--Missouri Synod--whose headquarters are in St. Louis, Missouri, have in the past been predominantly mid-western, rural, and small.[41] The general enrollment pattern in the Missouri Synod elementary schools (which now number 1,227) has shown a fairly notable decline between 1966-67 and 1971-72, followed by a one-year growth spurt (beginning with that year preschool enrollments were added to the total), followed by several years of "steady state," though the number of schools has continued to decline lately because of mergers effectuated in the interests of fiscal efficiency. (During the same period, enrollments in the high schools have increased, and ten new high schools have been founded.) Lutheran leaders emphasize that the comparative stability of the schools is especially notable in the light of drastically declining Sunday school memberships. (One is reminded of the contention by Greeley, McCready, and McCourt that Catholics are exhibiting a stronger attachment to their church-related schools than to the church itself, and of the contention by other writers that the public school, too, has taken on certain characteristics once exhibited by churches.[42])

Missouri Synod spokesmen estimate that 39 percent of children from Synod-affiliated families attend the Synod's schools. Around 10 percent of the total elementary school enrollment reportedly is drawn from such minority groups as blacks, Chicanos, and American-Indians. There has been a shift of emphasis, we are told, from "Missouri Synod schools for Lutherans" to the concept of Lutheran schools to share Christianity, though Synod leaders insist that "outreach" has always been a goal of the group. Perhaps the shift represents a response to the reduced pool of prospective students from the old sources. Nearly one-fourth of the children in the Synod elementary schools come from families which are members of non-Lutheran church congregations. Another 7 percent report no church affiliation.

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[41] The data in this section were reported by Dr. Al. H. Senske, Secretary of Elementary and Secondary Schools, Board of Parish Education, Lutheran Church--Missouri Synod.

[42] Greeley, McCready, and McCourt, *Catholic Schools*, Chapter 7. Cf. Robert Michaelsen, *Piety in the Public School* (New York: Macmillan, 1970).

In recent decades the Missouri Synod schools have urbanized considerably, and of late have experienced rather rapid growth in the South (particularly Florida and California), areas which, as later data show, numerous other groups of nonpublic schools have been growing rapidly as well. Synod leaders attribute much expansion in these areas to disenchantment with public schools. Schools that use racial criteria in admissions are not permitted to affiliate with the Synod, though there is no way, leaders acknowledge, of ensuring that parents do not patronize Lutheran schools primarily to avoid racial integration and related developments in public schools. Since many allegedly racist schools in the South are labelled "Christian schools," Missouri Synod schools in that region are advised not to use that name to describe themselves.

The Missouri Synod's educational leaders seem generally optimistic at present, partly because dissatisfaction with public education is so extensive, partly because the Lutheran pre-school movement (which feeds into Lutheran elementary schools) is now so strong (over one-fourth of the Lutheran elementary schools now offer pre-school programs), and partly because of the apparent success of new efforts to publicize the advantages of Lutheran schooling. The cooperative arrangements with public schools described earlier for Catholic schools, never as widespread among Lutheran schools, have been virtually abandoned, partly because of the dual-allegiance problems they created among students. Extensive efforts are being made to publicize Lutheran education by means of conventional advertising outlets, through faculty visits to homes, and via television programs on such themes as the American Revolution, which are made available free to television outlets.

Synod teachers (numbering 7,294) are now assisted by 3,765 aides, over 80 percent of whom work without pay.[43] Tuition charges, once very uncommon, now raise about 25 percent of elementary school incomes, though members of supporting congregations pay less than other patrons. In the high schools, between 50 and 70 percent of costs are tuition-generated. Increasing efforts are being made to secure "third source" money (from foundations, legacies, industry, etc.).

Some observers within the Missouri Synod think current doctrinal conflicts may soon be reflected in the withholding of donations to local parishes, which in turn will be hard-pressed to maintain their support of parish schools. Some Synod leaders anticipate the harm will not be as drastic as predicted, noting the deep-seated attachment of Missouri Synod Lutherans to their schools.

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[43] See *Statistical Report of the Lutheran Elementary Schools of the Lutheran Church--Missouri Synod*, 1975-76, p. 62.

The Schools of the Wisconsin Evangelical Lutheran Synod

The schools affiliated with the most doctrinally-conservative segment of American Lutheranism, the Wisconsin Evangelical Lutheran Synod, have enjoyed modest but virtually uninterrupted growth for the past quarter-century. During the fifteen years from 1960 to 1975, for instance, elementary school enrollments within the Synod climbed from 24,082 to 27,506. Like most Missouri Synod Lutheran schools in the past, the Wisconsin Synod schools tend to be small, very traditional in approach (strict discipline, a no-nonsense approach to the "essentials"), and located in rural or semi-rural areas.[44] Within the last five years, fifty congregations have opened new schools, and ten were planned for the fall of 1976. Much recent growth was in the West and Florida. Virtually all recent school closings were a response to shrinking populations in rural areas. Synod leaders insist that there is no sign, in contrast to other religious groups, of doubt among church members as a whole about the value of these schools. In congregations with day schools, approximately 66 percent of the children from member families attend. Financial support is provided directly from the affiliated churches, rather than through tuition. Like several other conservative branches of Protestantism, the Synod itself has been experiencing a rapid growth in membership, thus increasing the pool of prospective students for its schools.

Wisconsin Synod leaders partly justify their schools by pointing to presumed public school shortcomings (e.g., "unscriptural teachings," permissiveness, emphasis on materialism), but more fundamentally as a way to provide an education thoroughly permeated with theistic premises. Each day begins with religious instruction. Attempts are made to relate all subjects to the Bible. Moral absolutes are strongly emphasized. When a child is disciplined, an effort is made to spell out specifically the commandment that has been violated.

Virtually the only Wisconsin Synod schools whose student bodies have changed in character are the few located in inner-city parishes. As white Lutherans moved away from these parishes, blacks (often non-Lutherans) filled the empty desks. Not all comers were accepted, however. Non-Lutheran patrons were expected to support the school's philosophy and practices, and generally were required to attend informational sessions in which the pastor explained the position of the church and its school.

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[44] The date in this section were provided by Mr. Adolph Fehlauer, Executive Secretary, Board of Parish Education, Wisconsin Evangelical Lutheran Synod.

Among the possible explanations of the steady growth of this group of schools are the expansion of the Synod itself, the policy of avoiding tuition charges (at least to members of supporting churches), a firm conservative doctrinal stance which, in effect, imposes an essential "safeguarding" role on the schools, and the extensive contributed services of underpaid teachers and administrators. Just as one is "called" to be a Lutheran minister, one is called to "the teaching ministry" in a Wisconsin Synod school, and is expected to exhibit appropriate dedication. Salaries are low, although supplemented by allowances for hospitalization, housing, and telephone, and compensated for by the special status that "ministers" enjoy. Some teachers, for example, earn less than $9,000 per annum after twenty years of service.

The Schools of the American Lutheran Church

According to figures provided by the Director of Elementary Schools of the American Lutheran Church, this group of schools has grown at about 5 percent per year since 1973.[45] Prior to 1973 erratic gains and losses were reported. (These dramatic fluctuations are partly a function of the fact that total enrollment, ranging currently around 16,000, can be significantly affected by the opening or closing of just a few schools and partly a function of rather casual data-gathering.) This collection of schools is only a pale shadow of a system that disappeared shortly after the schools, in reaction to violent anti-German sentiment (especially during and after World War I), abandoned German as the language of instruction, thus losing one of their most visible distinguishing features.[46] While the American Lutheran Church as a national entity still seems disinterested in church-related schools, a growing number of parishes are reportedly recognizing that they can open new avenues of ministry and revitalize existing church programs by opening a school. At the present time, it is reported that "many" church-operated pre-schools have been established. (These will bear watching, since many church groups with considerable collections of day schools began by establishing kindergartens and/or pre-schools and adding one new grade each year. The Episcopal school movement, for example, has included a large pre-school and kindergarten component for many years.)

The areas in which schools of the American Lutheran Church have been expanding are primarily Florida, California, New York City, and

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[45] The information reported in this section was provided by Mr. Donald A. Vetter, Director for Elementary Schools, The American Lutheran Church.

[46] See Kraushaar, *American Nonpublic Schools*, pp. 31-33.

Baltimore. The primary reason for expansion, according to school leaders, is growing dissatisfaction with the academic and moral characteristics of the public schools in these areas. Leaders in this group predict a steady, modest net growth nationally.

Seventh Day Adventist Schools

Paralleling the national growth of the church, Seventh Day Adventist education has grown robustly. In total enrollment, elementary and secondary combined, the Adventists are the third largest group, behind the Lutherans and Roman Catholics (see Table 4.2). For secondary schools alone, the Adventists are second in enrollment (23,132) to the Catholics.

In 1964-65, there were 956 Adventist boarding and day, elementary and secondary, schools in the United States. In 1965-66, the number dropped by five; in 1969-70, there were only 850 schools. The recovery through the 1970s brought the number back to 957, one more than in 1964-65 (see Table 3.3).

According to Table 3.3, there was no notable increase in the number of schools between 1964-65 and 1974-75, but total enrollment increased by 25,375 students, or 50.4 percent of the 1964-65 figure. The increase has been predomonantly at the secondary level (in the church's "academies"). The ten-year increase at this level was 672.9 percent.

TABLE 3.3

ENROLLMENT AND NUMBER OF U.S. SEVENTH DAY ADVENTIST SCHOOLS (1964-65 TO 1974-75)

DATE	1964-65	1965-66	1969-70	1970-71	1973-74	1974-75
No. of Schools	956	951	850	868	921	957
Enrollment						
K-8	47,354	47,532	--	--	--	52,590
9-12	2,993	2,933	--	20,520	--	23,132
TOTAL	50,347	50,465	--	--	--	75,722

SOURCE: World Report: Department of Education (General Conference of Seventh Day Adventists, North American Division).

General Conference leaders (in Washington, D.C.) attribute the growth in school enrollment to growth in the church itself, which has been so rapid that the schools cannot keep up with the demand. The demand, in turn, is related to the strong emphasis of the church on parental responsibilities in education.

Calvinist Schools

The Calvinist schools affiliated with the National Union of Christian Schools (NUCS) have suffered enrollment declines and fiscal difficulties during the past decade.[47] Most of these schools are associated with Christian Reformed churches, though they are operated by independent "parent societies" rather than by the churches themselves because of the doctrine that education is primarily a parental, rather than a church, responsibility. Approximately 70 percent of the constituents of NUCS schools are members of Christian Reformed congregations. The schools in this group are generally known in popular parlance simply as "Christian schools," though a great many schools associated with other Christian churches refuse to affiliate because of NUCS's stringent Calvinistic statement of faith. NUCS schools are found mainly where the Christian Reformed Church is strong, in Michigan, metropolitan Chicago, and California. Despite the legal autonomy of the individual schools, the extensive services of NUCS and the common religious traditions of the schools tend to produce a noticeable homogeneity of practice throughout this group. The annual cost of elementary education in association schools reportedly averages $800 per child, and the average annual cost of high school education, roughly $900 per child.

The NUCS schools experienced enrollment declines in 1967-68 after a long period of steady growth. Enrollments dropped again in 1969, 1971, and each year since 1973. The most likely explanation, according to school spokesmen, is a general decline in birth rates among Christian Reformed families and an easing of normative expectations that Christian Reformed parents will put their children in church schools. Over the last decade, many young church parents have moved from urban areas, where Reformed parents predominated, to suburbs where they did not. As a result, suburban Reformed parents do not confront the concerted pressures to use association schools that parents in the cities encounter.

Responding to enrollment declines, association schools have attempted, rather successfully, to draw from a wider constituency. Within association schools there appears now to be greater stress put upon "acknowledging the Lordship of Christ" in all areas of life--a concept acceptable to a wide range of Christian groups.

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[47] The data in this section have been provided by Mr. John A. Vander Ark, Director of the National Union of Christian Schools.

Faced with the spiraling costs of recent years, some NUCS schools have merged and some have formed confederations in search of economies of scale. The Grand Rapids Christian Schools Association, for instance, was formed to provide a number of benefits without sacrificing the advantages of small school size and school-level decisionmaking. The association conducts public relations and fund-raising activities in behalf of all its schools and provides special services (e.g., instruction in art, music, and physical education, and busing) that few of the schools could afford individually.

Despite these measures, we are informed that NUCS schools continue to experience financial difficulties. Because of rising costs and declining Christian Reformed birth rates, some church leaders express doubts about the long-term future of the NUCS schools. But a spokesman observed that similar pessimism has been voiced for sixty years, yet over the long haul, the schools not only survived, but expanded.[48] He predicts a slow, but steady growth in NUCS membership over the coming five years, partly as a consequence of the formation of new schools now planned, and partly because more existing schools should find attractive the services that NUCS provides.

Evangelical Schools

In contrast to the Calvinist schools of the National Union of Christian Schools (NUCS), discussed above, another group of conservative or fundamentalist Protestant schools are associated mainly with churches that trace their origins back to John Calvin's mortal enemy, Arminius, who taught that salvation was to be obtained through good works and faith, rather than by divine election. It would be reasonably accurate, then, to label these schools *Arminian*; but since both the schools and the churches with which they are associated identify themselves as "evangelical," the latter appellation will be adopted to distinguish them from the stringently Calvinist, NUCS-affiliated group.

Unlike the Calvinist schools, the evangelicals exhibit pronounced independent tendencies, often refusing to affiliate themselves with any regional or national group. Furthermore, the evangelical schools are often established in connection with individual churches (Baptist, Nazarene, Free Methodist, etc.) whose denominations are not in favor of church-related schools as a matter of national policy, and apparently do their best to ignore those that exist. Consequently, comprehensive figures on this group of schools can be obtained neither from school associations nor from denominational headquarters. However, by examining trends reported by a number of relevant organizations, one can obtain a fair idea of major trends.

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[48] This sentiment was expressed to us by Mr. John Vander Ark, Director of the National Union.

The National Association of Christian Schools (NACS, often confused with NUCS, discussed above) was formed in 1947 as a subsidiary of the National Association of Evangelicals in an avowed effort to provide NUCS-type services to schools that could not subscribe to the NUCS Calvinistic statement of faith.[49] Between 1965-66 and 1972-73, NACS reports an increase of 17.5 percent in the number of member schools (the number grew from 228 to 268), while total enrollment increased by a remarkable 66.1 percent (from 32,003 to 53,144). But there are indications that the popularity of NACS was increasing among evangelical schools during these years, so the increase represents not only real expansion, but also an increasing tendency to affiliate. NACS figures after 1972-73 show a precipitous loss of both schools and enrollment, but this is particularly misleading since schools were defecting from NACS en masse because of dissatisfaction concerning an abortive effort to disassociate the organization from the National Association of Evangelicals (NAE) in reaction to NAE's negative stance toward church-related schools. NACS leaders insist that the evangelical school movement was continuing to burgeon during this period.

During the next few years, several new agencies appeared to service the evangelical schools, and some that were already on the scene began to flourish, no longer facing serious competition from NACS. Total enrollment in schools affiliated with the Western Association of Christian Schools leaped every year, growing from 34,388 in 1965-66 to 63,131 in 1975-76. The National Christian School Education Association founded in 1973 served 175 schools enrolling 38,175 children in 1975-76.[50] One evangelical denomination that does actively encourage its churches to maintain schools, the Assemblies of God, reports a total enrollment of 1,110 in 1965 and of 21,921 in 1976. The American Association of Christian Schools reported a membership of eighty schools in 1972 and 445 schools in 1976.[51] Accelerated Christian Education, which produces semi-programmed curriculum materials for this movement, was serving only five schools in the fall of 1971, but now reports that 1,400 schools use its materials.[52] One leader who has been active in fostering evangelical schools for many years estimates that schools of this type are now being established in the United States at the rate of one per day.

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[49] Kraushaar, *American Nonpublic Schools*, p. 36.

[50] Data provided by National Christian School Educational Association.

[51] Date provided by the American Association.

[52] Data provided by Accelerated Christian Education.

To explain this expansion, spokesmen for the evangelical schools cite two main reasons: the desire of many parents for a "Bible-centered" education, and the spreading conviction among parents that public schools are deteriorating both academically and morally. Another factor in the recent expansion of evangelical day schools may be the availability of the Accelerated Christian Education (ACE) materials. Though not of a caliber to compete with the sophisticated output of a federally-funded R&D center or regional educational laboratory, the ACE system seems well designed to help make a struggling new school, operating on a shoestring and handicapped by lack of know-how, as teacher-proof as possible. Followed consistently, the system itself will do much to ensure that students master the basic essentials.

Tuition charges in the evangelical schools apparently range roughly between $500 and $800 per pupil per year, often with reductions for families with more than one child enrolled. Systematic fund-raising is being emphasized more and more--deferred giving plans, campaigns to have the schools included in wills, etc. Elderly persons are often encouraged to donate their services as tutors, office workers, and maintenance personnel. In many cases, these schools began as pre-schools and nurseries, initiated by churches to raise money and make contacts with potential church members. Frequently, one grade was added each year until a complete elementary school had been developed.

Protest Schools

Categories for "segregation academies" or "protest schools" do not appear in our two "national overview" tables (Tables 3.1 and 3.2, presented earlier), because the schools we are about to discuss are affiliated with so many groups already represented in the tables that the addition of enrollment figures for this particular "segregationist" or "protest" group would, judging by the available information, do more to distort than to clarify the overall picture for nonpublic schools.

We think the term "segregationist academies" is grossly oversimplified and have chosen the label "protest schools" as more accurate and less misleadingly pejorative. Our objective is description and understanding, not moral judgment.

In a study done in Louisiana for the President's Commission on School Finance during 1971, one of us discovered that local public school superintendents were exceedingly cooperative in helping "track down" the protest schools in their districts.[53] Even so, the data-gathering task was arduous, expensive, and time-consuming. An approach of this type, even on a regional basis, was far beyond the limitations of the present study. We promised, however, to obtain whatever information we could, and were most fortunate to become acquainted with the Lamar Society, a group of progressive southerners completing a two-year study, financed by the Ford Foundation, of the "segregationist academies" or "protest schools" in the South. While our own work was proceeding, the Lamar Society courteously provided us with information. The published report of their landmark investigation is at hand (*The Schools that Fear Built*, authored by David Nevin and Robert E. Bills).[54] The Nevin-Bills report contains the most reliable, comprehensive information we have been able to find on the topic. We rely on it almost exclusively for the information in this section.

One shortcoming of the Nevin-Bills report is that, while the protest school phenomenon is national, their evidence is drawn exclusively from the South. However, we suspect the central findings apply elsewhere. Nevin and Bills picture the protest movement as "brewing" ever since the early 1960s in the aftermath of the *Brown* decision, and surging forward rapidly in 1970 and 1971 when it became evident that racial desegregation in the public schools of the South was inevitable. But though each major growth spurt in the protest schools coincided with local public school desegregation developments, Nevin and Bills point out repeatedly that something more basic and pervasive is involved than "pure racism." They argue that the protest schools are far more than a reaction against the mixing of the races. Desegregation was a "last straw," among many other straws. The patrons of these schools are in fundamental, far-reaching disagreement with those who seek to move society into the future along essentially "liberal" lines. The protest school patrons:

> . . . link into one disconcerting, unsavory whole the things they find disturbing--the end of the old-fashioned patriotism, the new view of America's role in the world, the changing attitude toward authority and leaders, shrinking church attendance, rising divorce rates, acceptance of pre-marital sex, dirty movies, public

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[53] Donald A. Erickson and John D. Donovan, *The Three R's of Nonpublic Education in Louisiana: Race, Religion, and Region*, Final Report to the President's Commission on School Finance (Chicago, Ill.: By the authors, 1972).

[54] David Nevin and Robert E. Bills, *The Schools that Fear Built: Segregationist Academies in the South* (Washington, D.C.: Acropolis Books Ltd., 1976).

> nudity, foul language, the loosening of constraint and custom, abortion, crime, drugs, erosion of the work ethic, textbooks that question old values and old heroes and the countless other manifestations of a new view of themselves that many Americans now are entertaining. . . . The list becomes as a litany of dismay; they believe they see a disintegrating society.[55]

Nevin and Bills depict these alienated people as finding in their protest schools a haven from a deteriorating world; a place where their children are taught the essential understandings and skills in a disciplined, no-nonsense atmosphere; a shelter from drugs, sexual promiscuity, violence, and anti-Christian teachings. They view public schools, in contrast, as "horrid and dangerous places," unresponsive to the values and aspirations of parents.[56] Often jerry-built and on the edge of insolvency, the protest schools nonetheless arouse in these parents profound loyalty and enthusiasm. These are *their* schools, like the public schools they remember from their youth, reinforcing the moral posture of the home. Administering questionnaires in a sample of these schools, Bills found that the parents *and* students were happier about their schools than the public school populations he sampled on other occasions. The protest schools *are* tranquil and surprisingly free from anxiety. Few discipline problems arise, and despite a "tight ship" approach, the students like their teachers more than public school students indicated that they do in Bills' other studies. Though working for salaries vastly lower than public school salaries, the teachers appeared unusually content, dedicated, and more open to experience than public school teachers studied by Bills. In examining their affective characteristics, Bills voices the serious possibility that the students would be worse off, rather than better, if they were members of a minority in heterogeneous public schools. The authors go so far as to assert on several occasions that the public schools may have something to learn from the protest schools.

The marked homogeneity of the protest school constituency, drawn though it may be from a wide geographic area, is repeatedly mentioned by the authors. One wonders, indeed, why Nevin and Bills do not make more of the possibility, highlighted by implication at many points in their work, that the homogeneity of patrons, students, and personnel is a major advantage in some respects, producing a mutually supportive relationship between home and school, a greater readiness to learn among students, and a more optimistic, industrious stance in teachers.

The major secret to the financial stability of the protest schools, the authors state, is that they charge tuitions averaging around half of the per-pupil expenditure level in nearby public schools. By cutting many costs, they manage to operate largely on the basis of these tuitions. They are assisted by the current surplus of teachers, the frustration of many teachers with conditions found in public schools, several "do-it-yourself" curricular systems now on the market, much volunteer labor, some church support, and a widespread aversion among many patrons to the "innovations," "fads," and "frills" on which much public school money is spent. The resultant bare-bones education, characterized by rote learning of the "essentials" (disparaged by Nevin and Bills), is nevertheless what the parents and students seem to want, and produces the relatively high achievement test scores that they value as evidence of a successful schooling.

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[55] *Ibid.*, pp. 19-20. [56] *Ibid.*, p. 21.

While Nevin and Bills depict the protest academies as remarkably similar institutions in most respects, apparently their sponsorship tends to differ from city to countryside. Many of the earlier, rural protest schools were nominally nonsectarian, run by community groups which, because of the cohesion of rural communities, were readily created for that purpose. In the cities, where cohesive organizations were more difficult to build, the tendency was to develop protest schools under the protective arm of existing fundamentalist churches. The churches were generally stable institutions, often led by charismatic, persuasive pastors. Existing Sunday school facilities could be converted rather readily to day school use. Churches provided financial arrangements, including tax-exempt status and good standing with banks, that made feasible the raising of capital funds. The familiar church was something distressed parents could trust. Nevin and Bills describe several elaborate, well-supported schools that have been erected on this ecclesiastical basis. Most are far more modest, and some are ramshackle, but the movement seems "likely to be a permanent part of the educational picture in the South."[57]

If we accept Nevin and Bills' estimate of 750,000 students in schools of the type described in their book; if most of these schools are affiliated with one or another of the groups included in Table 3.1 (one of our "national overview" tables), and if our estimate of approximately 4,501,836 as the total enrollment in the nation's nonpublic schools in 1975-76 is not far off, then the protest schools in the South obviously account for approximately 16.7 percent of the total nonpublic school enrollment. If enrollment in protest schools *outside* the South were included, it seems plausible that the figure would rise to 20 percent or more. This is a substantial segment of the nation's nonpublic school enterprise, and according to Nevin and Bills, it is still growing.

Jewish Day Schools

The Jewish all-day schools represent one of the most active nonpublic school movements in the United States.[58] Since 1945, the number has increased from thirty-nine (thirty of which were in the New York City area) to slightly over 500 schools across the nation. The four major Jewish groups--Orthodox, Chasidic, Conservative, and Reform, are now supporting day schools. Apparently, many American Jews desire institutions to foster self-identification and knowledge about Judaism.

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[57] *Ibid.*, p. 31.

The largest and oldest Jewish day schools in the United States are the Orthodox *yeshivot*. Patterned after nineteenth century European Jewish schools and initially brought to this country by the influx of Eastern European Jews following the pogroms of the 1880s, these schools now comprise some 435, rising from thirty-nine only thirty years ago. Similarly, the enrollment leapt from about 7,000 to 83,000 in the same period. Three young rabbis, having graduated from seminary in 1945, created Torah Umesorah, the National Society for Hebrew Day Schools, and travelled the country assisting communities to open Jewish schools. Their success is marked by the existence of Orthodox schools in all Jewish communities of 7,500 Jews or more; twenty out of twenty-five with 5,000 to 7,500; and twenty-five day schools in 110 locations with 1,000 to 5,000 Jews. Table 3,4 shows the breakdown of schools and enrollments in 1945 and 1975 for Orthodox day schools.

TABLE 3.4

TORAH UMESORAH-RELATED SCHOOLS AND ENROLLMENTS
(1945 and 1975)

	1945	Enrollment	1975	Enrollment
TOTAL UNITED STATES	39	(7,000)	435	(83,500)
Elementary Schools	30		290	(67,200)
High Schools	9		145	(16,300)
TOTAL NEW YORK	30		197	
Elementary Schools	23		124	
High Schools	7		73	
TOTAL OUTSIDE NEW YORK CITY	9		238	
Elementary Schools	7		163	
High Schools	2		75	

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[58] Information in this section was obtained from Rabbi Bernard Goldenberg of Torah Umesorah (National Society for Hebrew Day Schools), Chanach Shudofsky of the Solomon Schechter movement and the United Synagogues of America, and Rabbi Robert Syme, Union of American Hebrew Congregations.

The orthodox school program typically includes primary emphasis on Torah and Talmud, with secular subjects "blocked" into separate hours, often allowing the school to hire part-time instructors (half-day) and thus save considerable funds.

The Nazi holocaust ("to burn whole") brought thousands of Chasidic Jews to the United States from Eastern Europe. To preserve their unique culture and religious practices, they created their own *yeshivot*, supported by the community and closely guided by the *rebbeyim* (rabbis). Numbering some twenty-five, these day schools use Yiddish as the language of instruction and begin rigorous religious training of children at age four. While the Chasidim have organizations like the United Lubavitcher Yeshivoth, a network of day schools, they also join with fellow traditionalists, the Orthodox, in supporting Torah Umesorah. The data mentioned earlier for Orthodox schools also include approximately twenty-five Chasidic schools.

Since the early 1950s, the United Synagogues of America, the national organization of Conservative Judaism, has encouraged local synagogues to open day schools. Called "Solomon Schechter Day Schools," after the late president of the Jewish Theological Seminary, these schools now number forty-six in the United States and four in Canada. Of the United States schools, five are high schools (some 10 percent). Remarkably, in a decade, the number and enrollment has more than doubled: from sixteen United States schools in 1965 to forty-six in 1976; from an enrollment (including Canadian) of 3,489 to 8,262 in 1976. The number of secondary schools remains small, as does their enrollment, though the increase from one school to five (enrollment increasing from 31 to 379) may foreshadow further expansion.

In the last four years, Reform Jewish congregations have opened five day schools (four in the United States and one in Canada). Their small number should not be permitted to obscure the dramatic shift in attitude represented. At one time Jewish day schools were unheard of in Reform Jewish circles. The four United States schools were founded locally by single congregations, with guidance but no financial assistance from the national Reform organization, the Union of American Hebrew Congregations (UAHC). Unlike the national direction Orthodox communities received from Torah Umesorah and Conservative communities received from the United Synagogues, Reform Jewish schools grew primarly from grass-roots efforts of parents, usually developing out of well-established Jewish pre-schools. Currently, the UAHC Department of Education seems enthusiastic about the success of the four existing United States Reform Jewish schools (with 260 students and twenty-seven staff). It foresees a number of others opening within the next few years. At a day school conference held at the UAHC, eighteen congregations expressed an interest in starting their own day schools.

The program of Reform day schools is liberal, attempting to integrate Jewish ideals and secular subjects through "open" classrooms and "humanistic" approaches. These schools seek a general education, placing little emphasis on Biblical-Talmudic studies. They attempt to show how the ideals of Judaism and secular life meld into a Jewish identification through a modern curriculum.

The Independent Schools

A major group of schools, hardy but difficult to precisely differentiate, is known generally as "independent," rather than "private," "parochial," or "nonpublic."[59] Included in this category are the renowned preparatory schools, some of the highly selective religious schools within the Quaker, Roman Catholic, and Episcopal groups, and numerous military schools (discussed more fully elsewhere). Charging tuitions from $2,000 for day schools to over $4,000 for boarding schools, the majority of the independent schools are highly selective, college preparatory, provide rigorous curricula and strong extracurricular programs, and send many graduates to the more reputable liberal arts colleges.

Part of the problem of gathering data about these schools lies in their inconsistent and often overlapping memberships in national and regional organizations. Many do not belong to the National Association of Independent Schools (NAIS), the primary national organization serving independent schools. Many belong to NAIS *and* other associations--such as the National Association of Episcopal Schools, the Friends Council on Education, and the National Catholic Education Association. Despite these complications, however, important clues can be gleaned from data gathered by NAIS.

Among the 775 member institutions of the NAIS, three major shifts in the past decades appear from available data: from single-sex to coeducational schools; from boarding to day schools; and from military to nonmilitary schools. One hundred and ten single-sex schools became coeducational by a change in recruitment policy; eighty-three more went coed by merging with other single-sex institutions. Overall, the number of girls-only schools shifted from 166 in 1964-65 to 116 (a reduction of 30 percent) in 1975-76; boys-only schools declined by 111 schools (from 255 to 144), a change of 43 percent. The number of coeducational schools increased from 261 in 1964-65 to 541 in 1974-75, almost doubling.

During the same period, NAIS reports a decline in the number of boarding schools, from 217 to 186 (-14 percent) but an increase in the number of day schools, from 465 to 588, a gain of 26 percent. By 1975, 76 percent of all NAIS schools were day schools.

Taken as a group, NAIS schools appear to have weathered the effects on their budgets and enrollments of the spiraling costs the past decade. Besides an increase in the number of schools, NAIS has witnessed a steady growth in overall student enrollments, averaging 1 to 2 percent yearly. In 1965, for example, enrollment numbered 199,329; by 1975, the figures had reached 277,406. Similarly, there was an overall increase in the number of schools: 703 to 770 schools in the decade 1965 to 1975.

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[59] Most of the information concerning schools affiliated with the National Association of Independent Schools was provided by Mr. Cary Potter, Mr. Frank Miller, and Mr. John Chandler, Jr., of NAIS.

Executives of NAIS attribute the movement's renewed vitality to a number of changes. First, many independent schools have modernized their operations, use marketing techniques to recruit students and raise money, and have streamlined internal operations to save money. Second, the economy has improved, putting more discretionary money into the hands of parents. Third, with fewer numbers of children, increased public understanding and appreciation of private schools, and a broader middle class, more families are now considering private education within their reach. Fourth, as professional careers are becoming harder to obtain, more families appear to be willing to make an investment in the intensive preparation offered by many private schools. We suspect that the current wave of disenchantment with public schools is also influential in the recent growth of independent schools.

The NAIS schools are concerned with, and have had some success in, increasing the enrollment of minority students, and in maintaining, despite inflation, scholarship programs enabling a continuing rise in enrollment of children from poor families (Tables 3.5 and 3.6).

TABLE 3.5

MINORITY STUDENT ENROLLMENT BY RACIAL/ETHNIC GROUP, 1971-72 and 1974-75, NAIS SCHOOLS

Racial/Ethnic Group	1971-72	1974-75
Black/Afro-American	9,627	10,753
Spanish-surname	1,610	2,704
Oriental	1,581	2,566
Native-American	159	166
TOTALS	12,977	16,189

The surprisingly extensive experimental impact and community outreach of some of the more renowned independent schools has been documented repeatedly, though not yet widely acknowledged in the literature on education.[60] More recently, in what seems a response to the challenges

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[60] Cremin describes the important role of nonpublic schools (particularly the independent variety) in the Progressive Era in: Lawrence A.

TABLE 3.6

FINANCIAL AID, 1974-75, NAIS SCHOOLS

Schools	No. of Students Aided	Amount Granted (in 000's)	Percent of Enrollment	Percent of Total Operating Budget	No. of Full Scholarships
64 Girls' Day	2,634	$ 3,188	10.8	5.5	581
19 Girls' Boarding	503	961	14.3	5.7	90
50 Boys' Day	3,527	3,864	13.5	5.9	619
39 Boys' Boarding	1,854	3,346	21.6	6.9	299
237 Coed Day	13,945	16,784	12.3	6.5	3,983
59 Coed Day Elem.	1,255	1,155	9.9	5.7	300
63 Coed Boarding	4,502	8,367	26.3	8.7	697
531	28,220	$37,665			6,569

and difficulties of recent years, NAIS has created a Commission on Educational Issues, a semi-autonomous organization that is doing much to catalyze new cooperative programs between public and independent schools, new experimental ventures in independent schools, and particularly, efforts designed to involve these schools in mainstream educational research and development.[61] Systematic work is being carried out to clarify and even reformulate the fundamental *raison d'etre* of the independent school.

Episcopal Schools

Like several other church-related groups, the Episcopal schools have recently shown dramatic increases. In 1965-66, there were 374 schools with an overall enrollment of 59,953.[62] By 1970, the numbers had reached 395 schools with 65,745 students. In 1975, the number of schools totalled 402 and the enrollment 76,556 students.

A number of reasons are given for the growth of these schools. In urban and metropolitan areas, Episcopal schools often have strong reputations for academic excellence. As middle-class and upper-middle-class families seek to provide children with a love of learning and entry into white-collar jobs, Episcopal schools often are sought out. Further, Episcopal schools are perceived, their spokesmen claim, as value-oriented without being doctrinaire. Hence, families of other religions feel free to enroll their children. In fact, only 30 percent of the students in Episcopal schools are Episcopalians. And finally, leaders in Episcopal education see the continued decline in public education as a contributing factor.

Cremin, *The Transformation of the School* (New York: Vintage Books, 1961), especially in Chapter 5. The astonishingly powerful role of a few independent schools in the "post-Sputnik" curricular revolution is documented in Roy A. Larmee, "National Movements and Independent Schools," in: Roald F. Campbell and Robert A. Bunnell (eds.), *Nationalizing Influences on Secondary Education* (Chicago, Ill.: Midwest Administration Center, University of Chicago, 1963), pp. 105-18. The community-outreach of many NAIS schools is described in such documents as Edward Yeomans, *And Gladly Learn: Summer Enrichment Programs for Urban Children* (Boston, Mass.: National Association of Independent Schools, 1965); and David Mallery, *Beyond All Those Books: Independent School Students in Community Service* (Boston, Mass.: National Association of Independent Schools, 1965).

[61] The Commission on Educational Issues, currently directed by William D. Berkeley, has its headquarters at Room 301, 55 Chapel St., Newton, Mass. 02160.

[62] Most of the general information reported here was obtained from Rev. John Paul Carter of the National Association of Episcopal Schools. The figures on numbers of schools and enrollment are drawn from the annual school directories of the Association.

The growth of Episcopal schools in the South has sometimes been linked with racial escapism. According to its leaders, the National Association of Episcopal Schools refuses to admit schools, north or south, that do not admit blacks and other minorities. As a precaution, the National Association of Episcopal Schools checks with local bishops and with other schools that are integrated to see if a school seeking affiliation discriminates against black students. The rise of the black middle-class has made more integration possible in schools of this selective, often expensive type.

Few strategies for overall planning and direction of Episcopal schools seem to exist. There is no central funding to encourage rational growth, not much staff at the national level to service these schools, and no central authority as in other church groups. The spur to growth seems to be local interest, shown by local church people. Often, new schools grow out of the more than 600 nursery and kindergartens operated by Episcopal churches.

The current condition of the three kinds of Episcopal schools reportedly is stable. The 600 pre-schools are on the increase. The 300 or so parish schools, mostly elementary, are receiving good support from their communities. There are about 100 nationally-renowned old schools, often boarding. Many are members of NAIS and prepare students for college and professional careers. The schools seem strongly affected by general economic conditions. Around 1970, things were bad, with schools closing or merging. By 1973, Episcopal schools had many more applicants than they could accept, and were back on strong footing.

Friends Schools

The Society of Friends has maintained its own schools since the seventeenth century, when William Penn chartered three schools that still flourish today: Friends Select (1689); William Penn Charter (1689); and Abington Friends (1697).[63] Over a period of centuries, the slow, steady growth of Quaker education continues. In 1965, there were fifty-one schools; by 1976, the number reached sixty-three. Similarly, the enrollment showed overall increases in the last decade, with only a couple of years of minor decline (2 percent in 1972-73 and 1.1 percent, 1974-75).[64]

Much of the strength of these schools apparently rests with their humanitarian approach, open doctrinal position, and appeal to families that are not Quaker. In fact, only 7.5 percent of the total national Quaker school enrollment is Quaker. Furthermore, many of these schools have excellent academic reputations, a trait attractive to families in areas with weak public schools. Though tuitions are sizable (running from $800 to $1,350 for elementary schools, from $1,520 to $2,470 for secondary, and from $3,700 to $4,200 for boarding schools) they rarely cover operating costs. Fund-raising and endowments usually make up the difference. Also, these schools keep costs down by paying teachers, on the average, only three-quarters of the salaries received by public school teachers in the same area.

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[63] Much of the information reported here was obtained from Mr. Tom Brown of the Friends Council on Education.

[64] *Ibid.*

Despite close budgets, Quaker schools have been particularly successful in extending their programs to minorities. The percentage black, for example, rose nationally from 5.1 percent in 1968-69 to 12.4 percent in 1974-75. Numerous patrons of Friends Select School in Philadelphia, for example, have asserted that they value the school particularly because, in their minds, it presents the best available opportunity for a harmonious interaction of majority and minority students.

The current conditions in Quaker schools reportedly are stable. With a long history and a strong reputation, there seems little doubt as to their continuing.

Military Schools

In the last two decades, military schools have had more than their share of problems. The recent war in Vietnam, general suspicion of the military, the mistaken but widespread impression that spit-and-polish is emphasized at the expense of academic excellence and other important values, and perhaps a certain popular preference in recent years for less structured educational settings--all have apparently taken their toll, though the pendulum appears to be swinging the other way, producing conditions more favorable to this type of school.

Little systematic information is available. The Association of Military Colleges and Schools of the United States reports that there are about fifty military pre-collegiate schools today, down from some 169 in the 1950s.[65] Of the fifty, thirty are currently members of the Association. Some have closed because of declining enrollment and revenues, and others are still open but no longer military in identification (though they may still support a Junior ROTC).

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[65] Our data are drawn from conversations with General Clifford B. Drake, director of the Association of Military Colleges and Schools, and from a recent survey of the thirty member schools, of which only twenty-one responded.

The enrollment in military schools can only be extrapolated from twenty-one schools that responded to a recent survey by the Association of Military Colleges and Schools. Overall, the average enrollment was 335. If the three largest military schools are discarded, the average enrollment is 272. Estimating that there are fifty schools, we come up with a guesstimate of 13,600 students in military schools in 1975.

Though we have only impressionistic data and scattered reports, we sense that the military schools are staging a comeback. The absence of war and the creation of all-volunteer armed forces have perhaps changed the image of the military. The values stressed in military schools, such as respect for authority, partriotism, and discipline, are becoming more attractive to many families. The military schools themselves are practicing proven techniques of marketing as never before, stressing their strong points and contacting alumni and friends systematically. Our sense is, then, that military schools are rallying, though the future is not totally clear.

Greek-American Day Schools

Since the early twentieth century, the Greek-American community has grown steadily to almost two million, and the number and size of their day schools has increased proportionately.[66] In 1908, the first day school, the Socrates School of Chicago, was opened; and in 1909, the second, the Holy Trinity School in Lowell, Massachusetts. Today there are nineteen schools, with a total enrollment of 5,009. Each day school is attached to a church or cathedral, sometimes with a priest providing some guidance and leadership, though with great differences from school to school in modus operandi.

According to Emmanuel Hatziemmanual, head of education for the Greek Orthodox Archdiocese of North and South America, Greek-American schools have developed along with the rise in immigration in those centers like New York and Chicago where Greeks tended to settle. As the congregations paid off the mortgages on their churches, they were able to invest in schools. With the beginnings of assimilation came fears of loss of religious direction and culture. According to Hatziemmanual, the idea of a day school became acceptable to local leadership only when culture, religion, and faith were seen as interwoven.

The idea of day schools, once implanted, is nurtured by the leadership of the Archdiocese. Organizational, financial, and curricular assistance are available. Furthermore, the government of Greece provides certain books and materials free of charge, offers retirement benefits to American-based teachers, and helps United States staff to find jobs in Greece when they desire. Students from the United States day schools sometimes travel to Greece to pursue their studies in boarding schools there, and teachers from Greece are given jobs in day schools located in the United States. In areas with more than one school, the Archdiocese office brings staff members together for workshops.

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[66] Data were gathered from interview, personally and by phone, with Mr. Emmanual Hatziemmanuel, director of Education for the Archdiocese of North and South America. He made available the *Yearbooks* of the Archdiocese containing a section on day schools.

There is little talk of emergencies or closings. Tuition, ranging from $800 to $1,500, is supplemented by local church support, materials and support from the Archdiocean office, and help from the Green government.

Mennonite Schools

The number of Mennonite high school students increased steadily until 1966, declined by about 9 percent during the last 1960s, and has increased steadily since then. Nearly 2,500 students now take part in Mennonite secondary education, a number 200 greater than were using these schools in 1965. Most Mennonite high schools (generally called "academies") were founded during World War II, when children from pacifist homes encountered brutal pressures in most public high schools.[67] Motivations behind the Mennonite high schools during this period are characterized by a spokesman for the Mennonite Board of Education as "the safeguarding mentality." At present it is estimated that from 25 to 50 percent of Mennonite families, depending on the area, patronize the local Mennonite high school when one is available. The current per-pupil operating costs in these schools average between $1,200 and $1,400 per year, though strenuous efforts are made to minimize the burden on families that use the schools by providing rather extensive assistance through Mennonite congregations. In some schools, for example, supporting congregations are billed for the cost of educating all the students from that congregation, the congregation then being free to decide how the money will be raised. In such congregations the expectation often is that parents will increase their church-giving. Such an approach to school support appeals to parents because their school contributions are tax deductible. Were they to pay all costs through tuition, no tax breaks would be realized.

Mennonite high schools are reported to have lost much of their "safeguarding" spirit, evidenced by the growing willingness of Mennonite high schools to compete with public schools in athletic events and the part-time participation of Mennonite students in cooperative career centers or vocational-technical schools built to serve both public and private schools.

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[67] The material provided in this section is based on discussions with Mr. Roy T. Hartzler, Assistant Executive Secretary, Mennonite Board of Education.

Mennonite elementary schools are largely a Pennsylvania phenonemon. About 70 percent of the enrollment is maintained there. Like the high schools, the grade schools reported declines after 1965, but have shown some resurgence since 1970. In 1965, the Mennonite Yearbook listed 251 elementary schools enrolling 10,947 students. The 1970 Yearbook listed just sixty-eight schools enrolling 5,163 students. Part of the explanation for this dramatic drop is that the 1965 listings included some Amish schools. (In the 1970 report, they no longer were listed.) In 1976, seventy-eight schools and 5,589 students were reported.

Nonpublic Alternative Schools

Alternative schools of all kinds--community, parent, co-op, free, freedom and new (they go by all these and other names)--have grown considerably, though not as dramatically as often believed. Stimulated by a growing concern over the perceived inhumanity and rigidity of public systems, these nonpublic alternatives have been the subject of surveys conducted in 1970 and 1971, and more recently around 1974 and 1975.[68] While no one claims to have located all these schools, we can state that there has been an approximate increase from 340 private community schools in 1970 to 467 in 1975, a rise of 37 percent in five years. As Table 3.7 shows, the number of privately supported alternatives seems lower than the 800 or 900 often quoted in new school circles. As we analyzed the data sources, we saw that a large number of *public* alternatives were included. Since the alternative school movement has always included innovators from both public and private schools, we take note of public programs, though we exclude them from this study.

When the enrollment, as opposed to the number of schools, is considered, however, one sees remarkable growth in a five-year period: from 13,140 students in 1970 to 23,497 in 1975 (an increase of 79 percent), based on surveys made in those years. This expansion is even more startling when one considers the large number of new school openings since 1970 (only 148 of the original 340 schools are still around).

The data seem to indicate a number of changes in the alternative school movement. First, the schools are larger, though they are still

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[68] Bruce S. Cooper, *Free and Freedom Schools: A National Survey of Alternative Programs* (Washington, D.C.: The President's Commission on School Finance, 1970), and Allen Graubard, *A National Directory of Alternative Schools* (Cambridge, Mass.: The Harvard Center for Law and Education, 1971). New Schools Exchange Newsletter, *Directory and Supplement*, 1973-74 and 1975.

TABLE 3.7

SUMMARY OF NUMBER AND ENROLLMENT FOR PRIVATE ALTERNATIVE SCHOOLS (1970-1975)

Year	Total	Elementary	Secondary	K-12	Boarding
1. 1970-71 (Cooper/Graubard data)	340	189	89	34	28
Enrollment Total	13,142				
2. 1973-74 (New Schools Exchange Directory)	383	193	90	51	49
3. 1974-75 (Supplement to Directory)	467	257	98	58	54
Enrollment Total	23,498				

located in the nation's large, urbanized states such as New York, Ohio, Illinois, California, and Massachusetts. On the average, schools in 1970 had thirty-eight students total; in 1975, the average had climbed to fifty-two. This change is part of a general thrust toward more efficiency and stability. Participants and observers alike seem to agree that there is now less rhetoric, there are fewer attempts to be "politically radical," and there is more hard work and teaching.[69] Second, alternative schools now are loosely organized into the National Coalition of Alternative Schools, a joining of the nation's schools through regional networks and meetings. Finally, these schools seem more directed and "business-like," as they focus on specific goals and seek funds to do special jobs. Many alternative schools now work with handicapped children, students with emotional, social and physical problems, or those who simply "don't fit in" in public schools. Some of these schools are receiving or willing to receive state and federal dollars to do these programs. The future seems to lie with more cooperative arrangements to do educational tasks that public schools cannot easily do, under local school board assistance.[70]

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[69] Bruce S. Cooper, *Free School Survival* (Sarasota, Fla.: Omni-Press, 1975).

[70] Information was obtained from phone and personal discussions with Jack Wuest of the Alternative Schools Network, Chicago, and Bill Harwood of the New Schools Exchange, Pettigrew, Arkansas.

COLLABORATIVE RESPONSES

Within current legal frameworks in the United States, most nonpublic school patrons are forced to "pay twice" for their children's education, once through public school taxes and once through the fees and donations required to keep nonpublic schools alive. One need not be an economist to realize that the higher public school taxation rises relative to family incomes, the larger will be the proportion of families incapable of affording a nonpublic school, especially if the school is not heavily subsidized by a church or some other agency that spreads the fiscal burden beyond the circle of families whose children attend the school.

It is not surprising, then, that leaders of various nonpublic school groups have united, especially in the recent era of financial stress, in an effort to secure some kind of public subvention. Before 1968, most efforts along this line focused on obtaining state and federal provision of peripheral services (e.g., health services, counseling, remedial instruction, speech therapy, busing, free textbooks) that could be regarded as aid to the child rather than to the school. These efforts assumed that the Supreme Court would not tolerate direct allocation of public money to church-related schools, which made up the bulk of the nonpublic school movement, for it was widely claimed that church-related schools permeated *all* their activities with religious meaning.

In a now-famous 1968 decision, however, the U.S. Supreme Court explicitly suggested, in what seems in retrospect to have been a regretted slip of the pen, that a state might constitutionally support certain *secular* aspects of church-related schooling since for constitutional purposes the secular and the sacred elements were separable.[71] Subsequently, bills were introduced into many legislatures, and passed in several states, with provisions to extend tax support to the secular aspects of church-related schooling. These bills almost always contained elaborate mechanisms to make sure that none of the state funds would be used for religious purposes. But the U.S. Supreme Court soon enunciated the "excessive entanglement" doctrine, which as applied in later cases, has effectively outlawed almost all imaginable forms of sizable aid to nonpublic schools.[72] However, the long, abortive effort to secure some assistance from government drew numerous groups of nonpublic schools together, often under the umbrella of statewide lobbying organizations, and thus may have done much to demonstrate the benefits of collaboration because the battle, though ultimately lost in the courts (at least for the time being), was won decisively in numerous legislative halls. In many cases, these statewide organizations of nonpublic schools still survive, or have been supplanted by others. The interests of such organizations typically have broadened beyond money-seeking to issues of state regulation and public acceptance and understanding.

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[71] *Board of Education v. Allen*, 392 U.S. 236, 88 S. Ct. 1923, 20 L.Ed. 2d 1060 (1968).

[72] For a relatively comprehensive discussion of the legal issues, see Donald A. Erickson, "Legal Impediments to Private Educational Alternatives," in Clifford P. Hooker (ed.), *Law and Education*, Seventy-Seventh Yearbook of the National Society for the Study of Education (Chicago, Ill.: University of Chicago Press, 1978, forthcoming).

There has also arisen a national organization known as CAPE, the Council for American Private Education. CAPE now functions in behalf of twelve national nonpublic school agencies which, in turn, serve or operate about 13,500 private elementary and secondary schools enrolling 90 percent of all children attending private schools. Member organizations are the American Lutheran Church, the American Montessori Society, the Association of Military Colleges and Schools of the U.S., the Friends Council on Education, the Lutheran Church--Missouri Synod, the National Association of Episcopal Schools, the National Association of Independent Schools, the National Catholic Educational Association, the National Society for Hebrew Day Schools, the National Union of Christian Schools, the United States Catholic Conference, and the National Association of Private Schools for Exceptional Children.

CAPE has two purposes: to promote the vitality of the nation's private schools, and to enhance their contribution to American education and society. To achieve these purposes, CAPE has undertaken to encourage the sharing of resources among member organizations; to stimulate the effective utilization of the CAPE communications system; to promote the development of state private school groups; to establish and maintain relationships with the Federal Administration and Congress; to keep abreast of developments in the courts; to develop contacts with leading professional, scholarly, and other education-related organizations, including teacher training institutions; to foster research related to private education; and to create a sound financial base for the long-term support of the Council's efforts. The Council has drawn strong support from widely representative national leaders in government, higher education, and the private school community.

GENERALIZATIONS AND CONCLUSIONS

The most important generalization to be drawn from enrollment data in the present study is that, while Catholic schools exhibited significant losses during the past ten years (1965-66 to 1975-76), this trend was generally resisted or reversed in the nonpublic schools not affiliated with the Catholic church. The contrast between Catholic and non-Catholic schools, obscured in much of the data because of the numerical dominance of the Catholic schools, comes through clearly whenever one graphs the Catholic and non-Catholic trends separately.

as in Figure 3.1 from the Pennsylvania Department of Education. In the light of our information, similar graphs could be drawn for many other states and for the nation as a whole.

Some important qualifications must be voiced, however. First, the attrition rate of Catholic schools has subsided to a rather negligible figure.

As a general conclusion, the demand for nonpublic school education has taken a decided upturn, relatively speaking, during the past five years or so. The upturn seems strongest in the nonpublic school groups that represent a protest against certain features of public education. The ethnically-oriented schools, for example, protest the inroads of mass culture, many religious schools protest the alleged moral drift in public schools, and other schools seem to protest either racial integration, the "take-over" of local schools by distant bureaucracies, or both.

As we have noted, there is no way that cause-effect linkages can be determined conclusively with evidence of the type we have been able to gather. The problem is further complicated by the lamentable state of record keeping in numerous groups of nonpublic schools. The comments that follow, then, are *tentative interpretations*.

It may be clear, years from now, that the serious Catholic school enrollment setbacks during the ten years under study are best explained by the fact that these schools, unlike any other nonpublic groups, were struck with a stunning combination of profound challenges, each of which reinforced the negative impact of all the others. To mention just a few examples: it was a massive fiscal shock, for a system subsidized enormously for decades by the contributed services of nuns, priests, and brothers, to have the supply of these religious teachers diminish drastically, to have the costs of the remaining religious teachers increase three- or four-fold, and to replace most of them with "lay" teachers whose salaries were by comparison astronomical. No other nonpublic school group faced the massive city-to-suburbs migration that Catholics have recently undergone, coupled with the refusal of church leaders to replace the old city schools with new suburban schools. (One can hardly attend a non-existent school!) But perhaps most fundamentally, no other nonpublic school group underwent the startling, rapid shifts in philosophical outlook that the Second Vatican Council symbolized. The doctrines that provided the old reasons for Catholic schools were largely swept away or "reinterpreted." Greeley, McCready, and McCourt insist that now "only a handful of Catholic theoreticians are prepared to defend the continuation of Catholic schools."[73]

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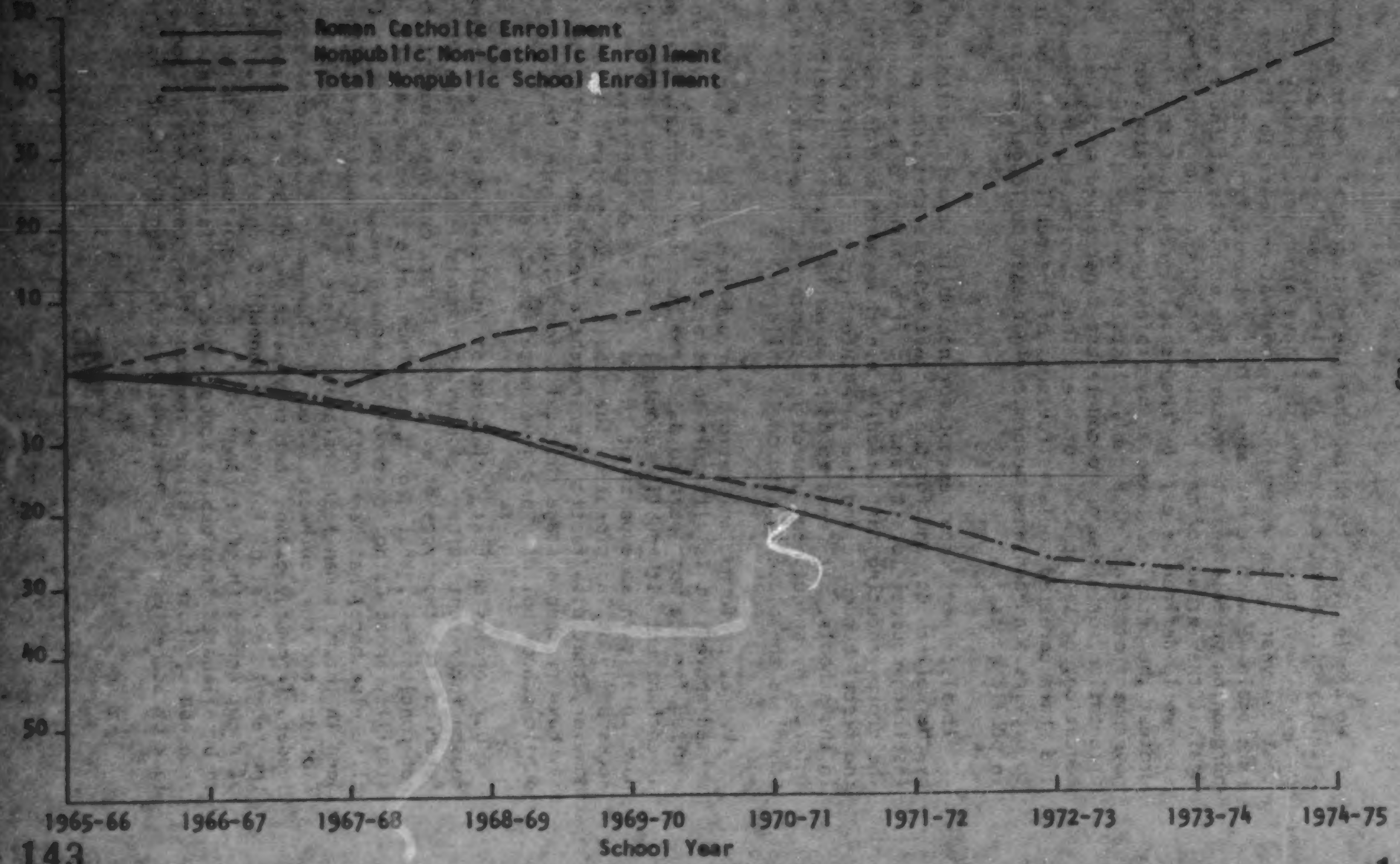
[73] Greeley, McCready, and McCourt, *Catholic Schools*, p. 9.

Figure 3.1
Per Cent Change in Nonpublic School Enrollment by Roman Catholic and Non-Roman Catholic Enrollment Based on 1965-66 School Year



Source: Pennsylvania Department of Education, "Out Schools Today", Vol. 14, No. 4, p. 7.

We are inclined to think that the most general factor affecting the vitality of nonpublic schools is a clear, well-articulated *reason for being*. The nonpublic schools that have grown most rapidly during the past ten years seem undergirded by motivations easy to discern, though here again we wish we had more direct evidence from patrons. These burgeoning schools seem to preserve the ethnicity of their constituencies against the inroads of mass culture, or protect the young from an outside world defined as evil by the schools' religious doctrines, or protest the perceived takeover by professional educators or distant government officials of a public institution once distinctly local in orientation, or endeavor to counteract a perceived moral decay in public education, or set up modes of operations considered more humane than the sharp-cornered social structures of the public school, or attempt to provide a no-nonsense academic rigor that no longer seems obtainable in public education.

It also seems true, except for nonpublic schools patronized mostly by the well-to-do, and for the protest schools that seem capable of inspiring unusual loyalty and effort from patrons and personnel, that the groups enduring most steadily are those with mechanisms that spread the fiscal burden beyond the immediate circle of parents with children in the schools. It seems to help, as well, if patron loyalty is reinforced by unequivocal church insistence that the church-related school is the place to send one's children.

We see profound implications for public schools in the data presented above. It is difficult to escape the conclusion, even in a study limited for the most part to data from secondary sources, that public disenchantment with public schools is reaching serious proportions, particularly in some parts of the nation. We do not regard this as necessarily an indictment of the public school system. It does appear, however, that disaffection over recent developments in the public schools may have reached a stage that calls for a fundamental reassessment of public school policies and governance structures.

Our conclusion that rejection of public schools as a cardinal reason for recent gains in nonpublic schools is based primarily on inferences from two types of evidence. First, our data suggest, though not conclusively, that growth among nonpublic schools generally (and stability among Catholic schools in some areas, in contrast to the decline elsewhere) has been most pronounced where public education has been in the most manifest disfavor of late, such as the deep South, Florida, and the southwest. Second, when we asked national school leaders from many groups what they perceived to be the reasons behind the recent revival of interest in nonpublic schools, the vast majority of them, across the full range of groups, reported many of their clients to be alienated from public schools over one issue or another, including drug abuse, loose discipline, sex education, controversial books, and lack of academic rigor. National leaders often indicated that they were not entirely in sympathy with those complaints, perhaps because they had more perspective to bear on public school problems.

Kraushaar has written eloquently, and even compassionately, about some reasons why new groups of citizens may now be willing to desert the public schools in favor of nonpublic schools.[74] "What," he asks, "has happened to the great American dream of the public school?"[75] He views excessive bigness and bureaucracy as part of the problem, along with the "protectionist, job-security, seniority unionism of teachers."[76] Also, the exodus of whites to the suburbs, and the influx (into city schools, at least) of many children whose home and neighborhood backgrounds ill-fit them to succeed in the classroom, have encouraged more and more cities to regard the public schools "with diminished enthusiasm and growing disinterest."[77] Public school constituencies have become so heterogeneous and disunified that the educationists have often been able to take over, running the schools largely to maximize their own interests. In contrast, the private school is usually a relatively small, autonomous local unit. Its teachers are usually selected because they resonate to its special ambience and goals. Students and parents patronize it because they agree with certain central aspects of what the school stands for, and thus have much in common. There is often extensive parent and community involvement in support of the school. Little affected by recent debates about the defensibility of traditional values in our society, most private schools can articulate clear goals. Finally, nonpublic schools may include important elements of religion which have been outlawed by the courts in public schools. Kraushaar views the gradual elimination of religion from public schools as doing "more to foster the creation of nonpublic schools than any other factor in our national history."[78]

There are many danger signals, we think, to indicate that attention must be given to the structural features of public education that lie behind the disenchangment expressed in the continuing growth of some nonpublic schools and the stabilization of nonpublic schools which rather recently were declining at an alarming rate. As Cremin argues, the original ideal of the common school (the public school virtually everyone would attend) was that it would be carefully attuned to the families and communities that it served, and from this standpoint, at least, it worked best where communities were reasonably small and homogeneous.[79] Perhaps, then, public education in many areas of the land has begun to lose its embodiment of the original common school ideal. School consolidations, the reorganization of small districts into larger ones, the growing power of organized professional educators, the growth of central school district bureaucracies, and the extensive intervention of the judicial and executive arms of state and national government, when combined with school constituencies which, especially in large city systems, are impossibly heterogeneous and disunified, may have created an institution that many parents finally recognize as governed "from afar," habitually irresponsive to the values of home and community. National leaders of nonpublic school groups often inform us, with expressions of sadness and concern, that many parents now view public schools as incongruent with the values of the home--as places where teachers, administrators, school boards, far-off legislators, and distant judges insist on exposing the young to experiences that parents consider harmful. These perceptions do not apply to all public schools, but rather to those which many patrons of nonpublic schools view as their only available alternatives to nonpublic schools.

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[74] Otto F. Kraushaar, *Schools in a Changing City: An Overview of Baltimore's Private Schools* (Baltimore, Md.: The Sheridan Foundation, 1976).

[75] *Ibid.*, p. 2. [76] *Ibid.*, p. 4. [77] *Ibid.*, p. 5. [78] *Ibid.*, p. 12.

[79] Lawrence A. Cremin, *The Genuis of American Education* (New York: Random House, Vintage Books, 1965).

The events that trigger the final decision to desert public education (e.g., an incident involving drug abuse, a new approach to sex education, a court order to bus for the sake of racial integration, neglect of moral development, elimination of religious activities, teaching of theories incompatible with some church viewpoints) differ from area to area and from time to time. Even when the values reflected in the decision to patronize a nonpublic school are questionable, the question they raise is important: given the spreading disenchantment, can the current structure of public education remain unchanged, especially when subjected to the strains of trying to achieve all kinds of fundamental social reform through the schools rather than through the agencies that are more directly implicated in the problems that the reforms are intended to rectify?

RESEARCH NEEDS

The need for extensive further research seems obvious and urgent. The study which we have scarcely begun, reported in these pages at the point where funds and time ran out, should be carried forward. There are more data available in the national and regional offices of some nonpublic groups than we were able to wheedle and ferret out in the available time. A carefully designed national survey should be conducted to test our tentative conclusion that disenchantment with public schools, and particularly the perception that these schools are no longer in tune with the values of the homes they serve, is a major reason behind the current interest in nonpublic schools. Work is needed on the consequences of homogeneity (ideological, religious, ethnic, etc.) among school clients and personnel. The old liberal ideal of the "common school," composed of teachers and students from heterogeneous backgrounds and functioning as a strictly neutral forum for the exploration of competing ideologies and life styles, requires extensive, tough-minded re-examination, given what we know: (a) about the culturally-biased "hidden curriculum" that exists in any enduring system of social interaction;[80] (b) about the circumstances children and adolescents need to develop a secure sense of identity and self-worth;[81] and (c) about the simplistic "cult of efficiency" logic that led to creation of our often-massive public schools and even more unwieldly school systems.[82] We must investigate cities (e.g., Washington, D.C.) where upwardly mobile blacks have increasingly gravitated from the public to the nonpublic schools, and of the consequences, for both systems and for black families, of this fundamental shift. We also require more knowledge of areas where the bulk of white students have moved into nonpublic schools, leaving public schools to the blacks. Studies of symbiotic relationships between public and nonpublic schools in times of rapid neighborhood change are long overdue, especially in the light of the angry unsupported assertions on this topic that appear in daily newspapers. Recent experimentation in inner-city church-related schools should be documented, and long-range outcomes traced. We ought to ascertain the track record of the numerous consortia, associations, etc., created by nonpublic schools under financial stress. Further work is called for concerning the assumption, made by Nevin and Bills in their "protest school" study and by many other scholars, that there is widespread consensus in our society, or even empirical evidence, to support certain ideas common among professional educators about what constitutes the "good" school. It may turn out, ironically, that the nation's nonpublic schools provide a promising research laboratory for finding solutions to some problems in public schools.

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[80] Jane R. Martin, "What Should We Do with a Hidden Curriculum When We Find One." *Curriculum Inquiry* 6 (1976): 135-151.

[81] Urie Bronfenbrenner, "Reunification with Our Children," *Inequality in Education*, No. 12 (July 1972), pp. 10-20.

[82] Note the emphasis on curricular features and the neglect of the effects of children of larger, more bureaucratized schools in such works as Leslie L. Chisholm, *School District Reorganization* (Chicago, Ill.: Midwest Administration Center, University of Chicago, 1957). Cf. Raymond E. Callahan, *Education and the Cult of Efficiency* (Chicago, Ill.: Phoenix Books, 1962).

CHAPTER IV

CHANGING/DECLINING ENROLLMENTS IN LARGE CITY SCHOOL SYSTEMS

Milton Bins
Alvin H. Townsel

INTRODUCTION

Many school districts within the United States have experienced declining enrollments in recent years. For large urban school districts, this decline has unique ramifications related to changes in the racial and socioeconomic composition of the student population. In fact, declining enrollments and these changes have generated more powerful pressures on and problematic situations for large city school districts than for other geographic areas. To assess the true impact of declining enrollments on large urban school districts and on the capacity of those districts to effectively deliver quality educational services to urban student populations, attention must be directed to the complex demographic, economic, fiscal, social, and political contexts.

Recent news coverage, economic reports, and unemployment statistics reveal the deterioration of the economic, political, and fiscal base of many of our large cities. This deterioration threatens to undermine local, state, and national efforts to ensure equal educational opportunities for youngsters in the inner city of these large metropolitan areas. It is critical, therefore, to generate reliable information and sound recommendations for consideration by federal, state, and local government officials and education policymakers.[1]

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[1] This chapter grew out of such an effort, by drawing together the proceedings on an NIE-funded conference on Declining/Changing Enrollments held in Chicago, Illinois on May 13-15, 1976, sponsored by The Council of the Great City Schools, a coalition of twenty-eight of the largest urban school systems in the country.

The following discussion describes in more specific terms some outcomes of The Council of the Great City Schools Conference on Declining and Changing Enrollments. First, an interpretation and analysis of the demographics of urban areas is presented. Then, the fiscal problems of cities are related to urban school districts. Educational management problems which have resulted from changing and declining enrollments in urban school districts are presented next. Some proposed solutions to these management problems are advanced and, finally, some implications for research and policy are presented.

THE DEMOGRAPHICS OF URBAN AREAS

A combination of social, economic, and demographic forces during the past decade has resulted in the current crisis of declining and changing enrollments in our nation's schools. Foremost among the unique set of problems for public school systems which serve large urban areas are:

- A steady decline in birth rates, especially among whites, causing a decline in the school population
- Emigration of increasing numbers of middle-income and white populations from central cities, leaving those cities with growing numbers of low-income and minority residents
- The exodus of business and industry from central cities combined with generally poor economic conditions which caused increased unemployment and massive underemployment
- A decline in the number of persons immigrating to cities; and
- Increased transfers to private and parochial schools.

An examination of data related to these social, economic, and demographic trends may establish causation for the enrollment decline and change which confronted some urban school districts as early as 1968, and led the U.S. Commission on Civil Rights to conclude, in 1972:

> The proportion of minority group persons living in major cities has grown rapidly in recent years. Except for the very poor who cannot afford to leave, large numbers of white persons have fled to the suburbs leaving the central cities for health, welfare, and protective services as well as for education. If the education system is to offer

> all children an equal opportunity to succeed in life, a means of financing it must be developed which takes into consideration the additional burdens such school districts must bear. By merely assuring that each school district has an equal amount of money to spend on each child, an equal education is not automatically assured.[2]

Enrollment Declines in Central Cities

The birth rate in the United States has steadily decreased during the past decade, although the total population has shown an overall increase. The lowest point in this decline was experienced in 1973 when there were 3.1 million live births as compared with 4.3 million in 1960.[3] Also in that year the rate of live births amont whites had reached a level that would sustain the white population at the current level. The birth rate of non-whites, however, was proportionately higher--37.2 percent higher--in 1975. Table 4.1 illustrates the variance in fertility rates among races from 1960 through 1974. Thus, although the number of children being born and subsequently entering the nation's schools has declined overall, the proportionate number of children from ethnic minority groups entering the public school systems has consistently increased.

The impact of the overall enrollment decline on the Council's twenty-eight member school districts from 1968 through 1975 is depicted in Table 4.2. It clearly shows that the decline in enrollments for most of these school districts was substantial. As illustrated in Figure 4.1, the peak of enrollment for these school districts was experienced in 1970-71. A steady decline has been experienced since then, so that by 1975-76, the public school enrollments in the twenty-seven Great Cities school districts had reverted to the 1962-63 level.

Other Enrollment Changes in Central Cities

A decrease in student population, caused in large part by a declining birth rate, was not the only demographic change experienced

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[2] U.S. Commission on Civil Rights, *Inequality in School Financing: The Role of Law* (August 1972), p. 104.

[3] Division of Vital Statistics, National Center for Health, *Statistics* U.S. Public Health Service, First Half Year, 1975.

TABLE 4.1

TOTAL FERTILITY RATES: 1960-74

Year	All Races	Black and Other Races	Black	White
1960	3.65	4.52	(NA)	3.53
1961	3.63	4.53	(NA)	3.50
1962	3.47	4.40[1]	(NA)	3.35[1]
1963	3.33	4.27[1]	(NA)	3.20[1]
1964	3.21	4.15	(NA)	3.07
1965	2.93	3.89	(NA)	2.79
1966	2.74	3.61	3.58	2.61
1967	2.57	3.39	3.35	2.45
1968	2.48	3.20	3.13	2.37
1969	2.47	3.15	3.07	2.36
1970	2.48	3.07	3.10	2.39
1971	2.27	2.93	2.91	2.17
1972	2.02	2.65	2.62	1.92
1973	1.90	2.47	2.44	1.80
1974	1.86[2]	(NA)	(NA)	(NA)

[1] Excludes data for residents of New Jersey.

[2] Bureau of the Census estimate.

NA = Not Available

NOTE: A total fertility rate is defined as the average number of births that each woman in a synthetic cohort of women would have in her lifetime if, at each year of age, the women experienced the birth rates occurring in the specified calendar year.

SOURCE: Department of Health, Education and Welfare, Public Health Services, *Annual Report: Vital Statistics of the United States*, 1976.

by central cities in the period from 1960-75. As illustrated in Table 4.3, most of the larger cities experienced a decrease in total population as well. Moreover, the decrease experienced by these cities may be largely attributed to a proportionately large number of whites who abandoned the inner cities. As shown in Table 4.4, there was a 13 percent decrease in the number of whites living in central cities from 1960 to 1970. There was a concomitant 40 percent increase in the number of blacks residing in such cities.

TABLE 4.2

STUDENT POPULATION CHANGES

City	1968	1969	1970	1971	1972	1973	1974	1975	Net Loss*	% Decrease
Atlanta	111,227	109,664	105,598	100,316	96,006	88,125	85,298	84,300	26,927	24.2%
Baltimore	192,171	193,123	192,458	190,735	186,507	182,733	182,733	171,451	21,672	11.2%
Boston	94,174	94,887	96,696	96,583	96,239	93,647	87,169	76,005	18,882	19.9%
Buffalo	72,115	71,441	70,305	68,217	64,752	60,752	58,950	56,879	15,236	21.1%
Chicago	582,274	582,071	577,679	574,495	553,342	539,365	530,188	530,000	52,274	9.0%
Cleveland	156,054	150,718	153,619	148,854	145,196	137,569	132,029	127,123	28,931	18.5%
Dade County (Miami)	232,465	244,016	240,447	244,763	241,809	244,395	246,548	244,439	2,109	0.9%
Dallas	159,924	162,490	164,736	157,799	154,581	153,549	149,510	142,034	27,702	13.7%
Denver	96,577	96,634	97,928	94,808	91,616	87,620	79,670	76,503	21,425	21.8%
Detroit	296,097	288,383	284,396	282,076	276,655	263,958	257,396	246,981	49,116	16.6%
Long Beach	72,065	70,472	69,927	69,205	63,838	62,413	62,339	59,271	12,794	17.8%
Los Angeles	653,549	654,654	642,895	633,951	620,659	611,228	598,314	609,645	45,009	6.8%
Memphis	125,813	134,190	148,304	145,903	138,714	119,542	120,186	118,267	30,037	20.3%
Milwaukee	130,445	132,462	132,349	131,815	127,986	123,224	118,474	115,700	16,762	12.6%
Minneapolis	70,006	68,278	66,938	65,201	61,565	58,833	56,161	53,791	16,215	23.2%
Nashville	93,720	95,821	95,313	88,190	85,406	83,521	80,118	80,231	15,590	16.2%
New Orleans	110,783	110,664	109,856	108,969	103,839	98,828	93,927	95,729	15,054	13.6%
New York City	1,063,787	1,115,870	1,140,359	1,131,058	1,125,449	1,104,920	1,103,406	1,102,905	37,454	3.2%
Oakland	64,102	61,679	67,830	67,323	65,189	60,703	61,559	54,768	13,062	19.3%
Philadelphia	282,617	283,209	279,829	273,458	282,965	267,902	266,500	262,500	20,709	7.3%
Pittsburgh	76,268	73,500	73,481	71,502	70,080	68,414	66,106	63,629	12,639	16.8%
Portland	78,413	77,806	76,206	72,694	68,632	66,325	63,514	62,002	16,411	20.9%
St. Louis	115,582	113,374	111,233	107,986	105,617	98,850	93,320	86,999	28,581	24.7%
Dan Diego	128,914	129,531	128,783	128,327	124,487	123,466	123,114	122,000	7,531	5.8%
San Francisco	94,154	93,139	91,150	83,584	81,970	78,010	67,719	70,777	23,377	24.5%
Toledo	61,684	62,965	61,699	62,597	61,694	59,911	59,049	56,943	6,022	9.6%
Washington	148,725	148,931	145,330	141,606	140,000	136,036	130,807	130,685	18,246	12.2%

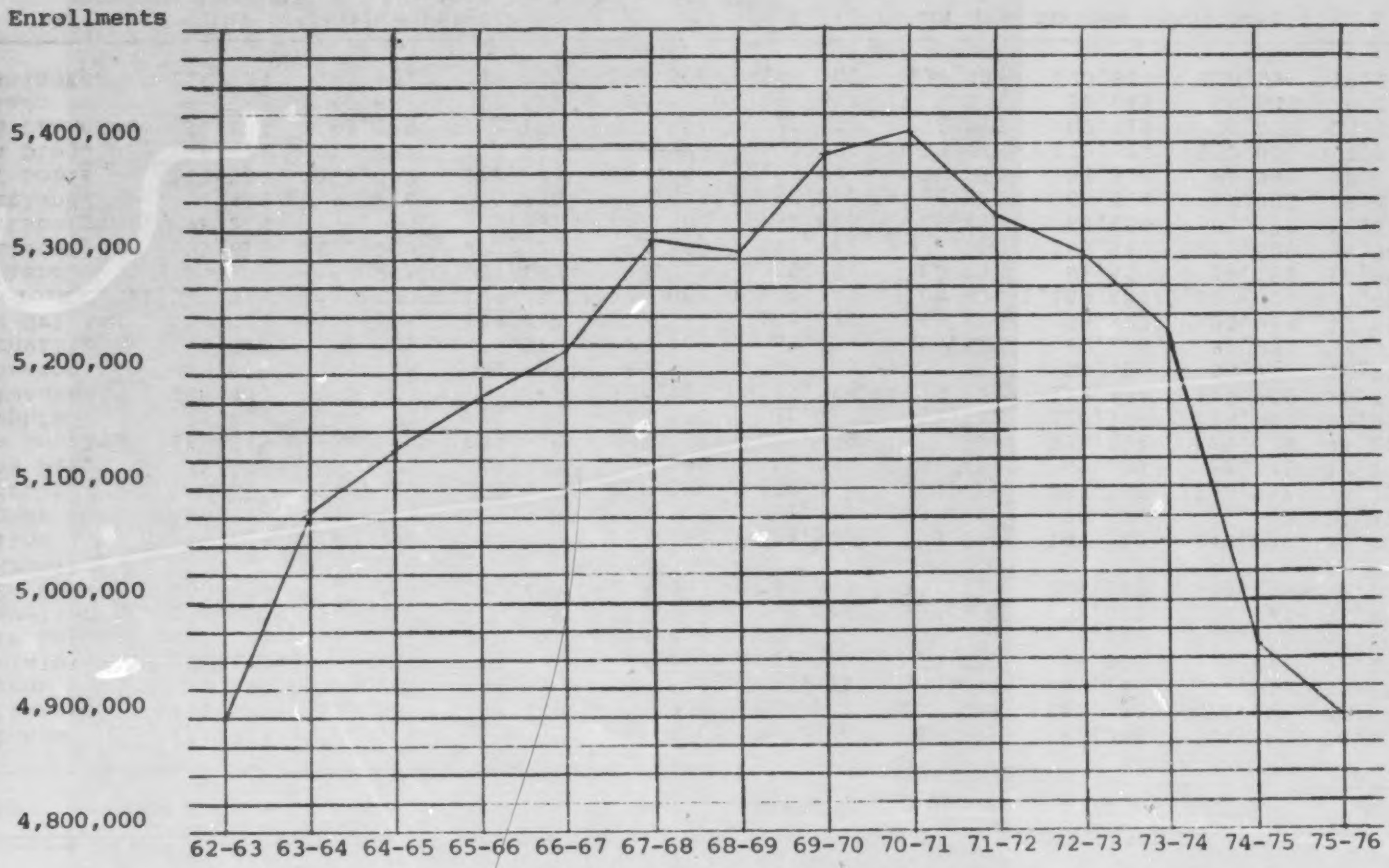
*Net Loss = The difference between the 1975 enrollment figure and the maximum enrollment figure during the time period 1968 to 1975.

SOURCE: Office of Civil Rights: Educational Research System Bulletin, 1975 Fall Enrollment Data and Council Member School Districts' Fall Enrollment Data 1968-74.

Compiled by: Council of the Great City Schools, Washington, D.C., January 1976.

FIGURE 4.1

ENROLLMENTS IN THE 27 GREAT CITIES



SOURCES: National Center for Educational Statistics, *Educational Directory* (Washington, D.C.: U.S. Government Printing Office, 1962-63 through 1974-75). Educational Research Service, *Salaries Paid Professional Personnel in Public Schools, 1975-76* (Arlington, VA.: Educational Research Service, 1976).

TABLE 4.3

POPULATION CHANGE IN THE GREAT CITIES, 1960-75

	Population in 000's					
	1960	1970	1973	1975	% Change 1970-73	% Change 1970-75
Atlanta	487	495	451	436	- 8.9*	- 11.9
Baltimore	939	906	878	852	- 6.5	- 6.0
Boston	697	641	618	637	- 11.3	- 0.6
Buffalo	533	463	425	407	- 20.3	- 12.1
Chicago	3,550	3,369	3,173	3,099	- 10.6	- 8.0
Cleveland	876	751	677	639	- 22.7	- 14.9
Dade County (Miami)	292	335	354	365	+ 21.2	+ 9.0
Dallas	680	844	816	813	+ 20.0	- 3.7
Denver	494	515	516	485	+ 4.5	- 5.8
Detroit	1,670	1,514	1,387	1,335	- 16.9	- 11.8
Houston	938	1,234	1,320	1,327	+ 40.7	+ 5.9
Long Beach	344	359	347	336	- 3.3*	- 6.9
Los Angeles	2,479	2,812	2,747	2,727	+ 10.8	- 3.0
Memphis	498	624	659	661	+ 32.3	+ 0.6
Milwaukee	741	717	691	666	- 6.7	- 7.1
Minneapolis	483	434	382	378	- 20.9	- 12.9
Nashville-Davidson County	400	448	449	423	+ 12.3	- 0.0
Norfolk	305	308	283	287	- 8.1*	- 6.8
New Orleans	628	593	573	560	- 8.8	- 5.6
New York City	7,782	7,896	7,647	7,482	- 3.2*	- 5.2
Oakland	368	362	346	331	- 6.0	- 8.6
Philadelphia	2,003	1,950	1,862	1,816	- 7.0	- 6.9
Pittsburgh	604	520	479	459	- 20.7	- 11.7
Portland	373	380	378	357	- 0.5*	- 6.5
St. Louis	750	622	558	525	- 25.6	- 15.6
San Diego	573	697	757	774	+ 32.1	+ 11.0
San Francisco	740	716	687	665	- 7.2	- 7.1
Toledo	318	384	377	368	- 8.1*	- 3.9
Washington, D.C.	764	757	734	712	- 3.9	- 5.9

TABLE 4.4

RISES IN THE PERCENT OF POPULATION OTHER THAN WHITE AND COMPONENTS OF THE RISE, 11 CITIES: 1950-60 AND 1960-70

	New York City	Philadelphia	Baltimore	Washington, D.C.	St. Louis	New Orleans	Detroit	Chicago	Cleveland	Atlanta	Los Angeles
Percent other than white:											
1950	9.8	18.3	23.8	35.4	18.0	32.0	16.4	14.1	16.4	36.6	10.8
1960	14.7	26.7	35.0	54.8	28.8	37.4	29.2	23.6	28.9	38.3	16.8
1970	22.8	34.1	46.9	72.1	41.3	45.4	44.5	34.4	39.0	51.6	22.8
Percent of 1950-60 rise in percent other than white due to:											
1) higher rate of natural increase among races other than white	30.2	28.3	27.8	21.3	21.4	53.7	19.2	27.8	20.3	a	32.3
2) inmigration of races other than white	35.4	24.9	22.7	17.2	15.2	2.6	25.1	32.9	32.1	a	67.7[b]
3) outmigration of whites	34.4	46.8	49.5	61.5	63.4	43.7	55.7	39.3	47.6	a	

TABLE 4.4 (continued)

	New York City	Phila-delphia	Balti-more	Washing-ton, D.C.	St. Louis	New Orleans	De-troit	Chi-cago	Cleve-land	At-lanta	Los Angeles
Percent of 1960-70 rise in percent other than white due to:											
1) Higher rate of natural increase among races other than white	27.5	30.0	35.4	27.4	26.9	37.4	18.0	29.8	18.8	19.5	37.1
2) inmigration of races other than white	44.3	13.7	14.4	9.1	73.1[c]	62.6[c]	22.8	19.0	81.2[c]	25.1	56.5
3) outmigration of whites	28.1	56.3	50.2	63.5			59.1	51.1		55.3	6.4

SOURCES: Data from Bowles and Tarver (1965), U. S. Bureau of the Census (1971), and estimates prepared by the author.

[a] Extensive annexations during the 1950-60 decade prohibit accurate estimation of natural increase and net migration.

[b] Percent of rise due to higher rate of inmigration of races other than white.

[c] Percent of rise due to higher rate of outmigration of whites.

Simultaneously, suburban and rural populations across the United States increased by 4.2 percent overall. There was a 4.7 percent increase in counties adjacent to cities and a 3.7 percent increase in non-adjacent, or rural counties.

The impact of this trend on urban pupil populations is depicted in Table 4.5. It clearly shows that increases in school-age migration were greatest at ages 5-14. These are the ages when white outmigration is greatest. This migration pattern is consistent with the findings of Harry H. Long and Paul C. Glick* which indicated that many of the nation's largest cities still have net immigration of whites at ages 20-24, due perhaps to the location of educational institutions, or career-entry jobs in central cities. The result is that the percent black in a city's population is relatively low at ages 20-24 and highest at ages 5-14 and 25-40. The decisions about where to live by parents in their late twenties and early thirties will, therefore, continue to be the prime determinant of the racial and socioeconomic composition of cities and suburbs. Also shown in the migration pattern depicted in Table 4.5 is that a decrease in net migration of school-age population was experienced only by central city school districts.

Table 4.6 shows that in 1970 the population remaining within the boundaries of the cities was comprised largely of members of minority groups. Within the Standard Metropolitan Statistical Areas listed in that table, a clear concentration of minorities in central cities is apparent.

As the ethnic composition of the large cities has changed, so has the composition of student enrollments in urban school districts. The increase in minority student enrollment from 1968 to 1974 for Great City School Systems is shown in Table 4.7. Of even greater importance, however, is that many of the larger city school systems have become preponderantly minority, as shown in Appendix A. The increased percentages of minority enrollments since 1968 may largely be attributed to the continued migration of minority group persons into urban centers and the concurrent emigration of whites to the suburbs and to private and parochial schools.

Further corroboration of the pattern of minority group concentration, and hence minority student concentration, in larger cities is provided in Table 4.8. In Chicago, for example, minority groups not only comprised 34.37 percent of the city's population in 1970, but also comprised more than three-quarters of the minority population of the entire state of Illinois. The Chicago public school systems

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*Harry S. Long, "Short Papers: How the Racial Composition of Cities Changes," *Land Economics* LI (August 1975): 258-67.

TABLE 4.5

SCHOOL-AGE MIGRATION FOR UNITED STATES CITIES AND SUBURBS, 1970-75
(In 000's)

Migration	5-14 Years			15-19 Years		
	Central Cities	Balance of SMSA's	Outside SMSA's	Central Cities	Balance of SMSA's	Outside SMSA's
Net Migration	- 1,768	+ 1,193	+ 575	- 452	+ 306	+ 146
In-migration	+ 1,138	+ 2,752	+ 1,560	+ 513	+ 967	+ 577
From Central Cities	(X)	+ 2,171	+ 735	+ (X)	+ 720	+ 245
From Balance of SMSA's	+ 734	(X)	+ 825	+ 329	(X)	+ 332
From Outside SMSA's	+ 404	+ 581	(X)	+ 184	+ 247	(X)
Out-migration	- 2,906	- 1,559	- 985	- 965	- 661	- 431
To Central Cities	(X)	- 734	- 404	(X)	- 329	- 184
To Balance of SMSA's	- 2,171	(X)	- 581	- 720	(X)	- 247
To Outside SMSA's	- 735	- 825	(X)	- 245	- 332	(X)

(X) Not Applicable.

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-20, No. 285, "Mobility of the Population of the United States: March 1970 to March 1975" (Washington, D.C.: U.S. Government Printing Office, 1975), Table 1.

TABLE 4.6

COMPARISON OF CITY'S MINORITY POPULATIONS IN SMSA TO SUBURBAN'S MINORITY POPULATION IN SMSA (BASED ON 1970 CENSUS DATA)

	Distribution of Minority Population in Metropolitan Area	
	City M SMSA m	Suburban M SMSA m
	%	%
Atlanta	81.3	18.7
Baltimore	85.0	15.0
Boston	77.1	22.9
Buffalo	83.1	16.9
Chicago	88.7	11.3
Cleveland	85.5	14.5
Dade County	40.0	60.0
Dallas	84.7	15.9
Denver	84.4	15.6
Detroit	86.2	13.8
Long Beach		
Los Angeles	62.6	37.4
Memphis	83.8	16.2
Milwaukee	96.6	3.4
Minneapolis	96.1	3.9
Nashville	91.4	8.6
New Orleans	82.3	17.7
New York City	88.6	11.4
Oakland	27.9	72.1
Philadelphia	76.7	23.3
Pittsburgh	48.0	52.0
Portland	78.3	21.7
St. Louis	66.3	33.7
San Diego	72.9	27.1
San Francisco	38.2	61.8
Toledo	91.4	8.6
Washington, D.C.	74.3	25.7

$$\frac{\text{Total Minority in City}}{\text{Total Minority in SMSA}} = \frac{\text{C m}}{\text{SMSA m}}$$

$$\frac{\text{Total Minority in Suburbs}}{\text{Total Minority in SMSA}} = \frac{\text{S m}}{\text{SMSA m}}$$

Council of the Great City Schools, 1976
Washington, D.C.

TABLE 4.7

MINORITY PERCENTAGE OF TOTAL ENROLLMENT IN GREAT CITY SCHOOL SYSTEMS

	1968	1970	1972	1974	Increase in Percentage 1968-74
Atlanta	61.8	68.7	77.4	84.9	23.1
Baltimore	65.1	67.1	69.3	70.4	5.3
Boston	31.5	35.0	40.5	47.7	8.6
Buffalo	39.1	41.7	45.1	47.7	8.6
Chicago	62.3	65.4	69.0	72.5	10.2
Cleveland	57.5	59.7	59.9	60.6	3.1
Dade County	41.7	46.2	51.6	54.0	12.3
Dallas	38.8	42.7	49.4	55.5	16.7
Denver	34.4	38.3	41.7	45.6	11.2
Detroit	60.7	65.5	69.5	73.6	12.9
Long Beach	14.7	16.8	NA	26.2	11.5
Los Angeles	46.3	49.6	52.7	58.0	11.7
Memphis	53.7	51.6	58.0	69.9	16.2
Milwaukee	27.0	29.7	33.9	38.4	11.4
Minneapolis	10.7	13.0	15.9	19.1	8.4
Nashville	24.2	24.5	28.1	NA	3.9
New Orleans	68.7	71.4	76.2	80.8	12.1
New York City	56.1	61.7	64.4	65.6	9.5
Oakland	69.1	71.7	75.0	78.2	9.1
Philadelphia	61.3	63.6	64.8	66.8	5.5
Pittsburgh	39.7	40.6	42.3	43.4	3.7
Portland	10.5	12.0	14.0	15.6	5.1
St. Louis	63.8	65.9	69.1	70.4	6.6
San Diego	23.9	24.6	26.3	30.3	6.4
San Francisco	58.8	63.1	68.2	69.2	10.4
Toledo	29.2	29.5	30.5	33.6	4.4
Washington	94.4	95.5	96.5	96.7	2.3

SOURCE: Office of Civil Rights, U.S. Department of Health, Education and Welfare, Office of Civil Rights, 1974.

by 1973 had 382,969 minority students, or 69 percent of the total school system enrollment. This number, moreover, represented 73.1 percent of the total minority enrollment within the state.

The net effect of these social, economic, and demographic shifts on large urban school districts was a decrease in total student enrollment. The unique effect of these changes for urban school systems was a student enrollment characterized by disproportionate numbers of minority and poor students.

The tables in Appendix B provide additional information about the patterns of enrollment decline in large city school systems as compared with that in state school systems. The tables reveal that enrollment decline in fifteen Council school systems exceeded that in twenty-five states. Four Council member school districts experienced an enrollment decline greater than or equal to that experienced by their respective states.

Although thirty-seven of the fifty states show a net decline in school enrollments, not all state systems had that problem. In fact, a number of states still face the opposite problem--enrollment growth.[5] In these cases specific local and economic and other conditions have caused rapid influx of new residents. Generally, the large urban school systems did not share in the growth experienced by those states. For example, while Colorado's student population was increasing by 2.4 percent during the period 1970-75, the Denver public schools' population was decreasing by 21.8 percent during that same period. Additionally, central city schools experienced a change in enrollments which resulted in both a numerical increase and a greater concentration of AFDC and Title I pupils, a pattern illustrated in Table 4.9.

THE FISCAL IMPACT OF CHANGING AND DECLINING ENROLLMENTS ON LARGE CITY SCHOOL SYSTEMS

Introduction

That an increase in the proportionate number of minority persons was experienced by central cities is of no great significance when considered alone. However, when this concentration is placed into economic perspective, these data assume far greater significance. Table 4.10 depicts the relative position of central cities to suburbs when comparisons are based on family income, education, and employment from 1950 to 1960.

The figures reported clearly reflect a change in the economic status of central cities, even in that decade. By 1970, as illustrated in Table 4.11, families residing in central cities were absolutely poorer than those in the remainder of the SMSA. In most instances, they also were poorer than families within their respective states as a whole.

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[5] See Leppert and Routh, Chapter V of this book.

TABLE 4.8

MINORITY STUDENT CONCENTRATION IN THE GREAT CITY SCHOOL SYSTEMS, 1973

State/City	No. of Minority Students	% Minority Students in the State	Minority Students as % of Total State Minority Students
California	1,257,731	7.0	
Long Beach	16,343		1.3
Los Angeles	327,356		26.0
Oakland	49,141		3.9
San Diego	32,762		2.6
San Francisco	55,903		4.4
Colorado	103,759	18.6	
Denver	38,196		36.8
Florida	429,629	28.7	
Dade County	132,318		30.8
Georgia	351,383	34.0	
Atlanta	74,323		21.2
Illinois	523,554	23.1	
Chicago	382,969		73.1
Louisana	351,143	41.7	
New Orleans	75,914		21.6
Maryland	241,640	17.7	
Baltimore	129,250		53.5
Massachusetts	79,990	61.9	
Boston	41,545		51.9
Michigan	347,488	11.2	
Detroit	192,259		55.3
Minnesota	25,505	0.9	
Minneapolis	9,743		38.2

TABLE 4.8 (continued)

State/City	No. of Minority Students	% Minority Students in the State	Minority Students as % of Total State Minority Students
New York	914,538	11.9	
Buffalo	29,021		3.2
New York City	724,538		79.2
Ohio	313,622	9.1	
Cleveland	87,007		27.7
Toledo	18,921		6.0
Oregon	22,276	5.6	
Portland	9,925		44.6
Pennsylvania	288,042	8.6	
Philadelphia	183,424		63.7
Pittsburgh	29,596		10.3
Tennessee	194,018	22.1	
Memphis	80,406		41.4
Texas	1,015,812	43.6	
Dallas	82,995		8.2
Washington, D.C.	126,519		100.0
Wisconsin	61,473	2.9	
Milwaukee	43,600		70.9

Large city school systems tend to share the fiscal problems of the cities in which they are located. Consequently, it is injudicious to perceive the fiscal impact of changing and declining enrollments in urban schools as extrinsic to the major problems which have confronted central cities in recent years.

TABLE 4.9

COMPARISON OF THE NUMBER OF TITLE I YOUTH AND AFDC CHILDREN IN COUNCIL MEMBER CITIES AND CORRESPONDING STATES WITH THE TOTAL ENROLLMENT IN THOSE CITIES AND STATES 1975

School System	State Enrollment	City Enrollment	City Enrollment As % of State Enrollment	State Title I Children	City Title I Children	City Title I Eligibles as % of City School Enrollment	State School-Age AFDC Children as % of State Enrollment	City Title I Eligibles as % of State AFDC Children
Atlanta, Ga.	1,090,292	84,300	7.7	297,516	25,290	30.0	27.3	8.5
Baltimore, Md.	880,927	166,370	18.9	128,503	54,736	32.9	14.6	42.6
Boston, Mass.	1,198,410	76,005	6.3	155,208	34,734	45.7	13.0	22.4
Buffalo, N.Y.	3,401,214	56,879	1.7	779,971	30,260	53.2	22.9	3.9
Chicago, Ill.	2,269,892	526,716	23.2	397,602	213,320	40.5	17.5	53.7
Cleveland, Ohio	2,292,647	128,127	5.6	292,068	44,204	34.5	12.7	15.1
Dade County, Fla	1,551,373	244,439	15.8	305,551	46,443	19.0	19.7	15.2
Dallas, Tx	2,812,888	142,034	5.0	645,142	43,036	30.3	22.0	6.7
Denver, Colo	569,128	76,503	13.4	79,711	19,967	26.1	14.0	25.0
Detroit, Mich	2,073,288	246,980	11.9	311,549	91,630	37.1	15.0	29.4
Long Beach, Cal	4,419,571	59,271	1.3	712,390	10,669	18.0	16.1	1.5
Los Angeles, Cal	4,419,571	609,645	13.8	712,390	151,192	24.8	16.1	21.2
Memphis, Tenn	876,926	118,267	13.5	247,910	49,435	41.8	28.3	19.9
Milwaukee, Wis	964,219	115,676	12.0	126,609	32,389	28.0	13.1	25.6
Minneapolis, Minn	879,944	53,791	6.1	118,582	14,039	26.1	13.5	11.8
Nashville, Tenn	876,926	80,231	9.4	247,910	16,608	20.7	28.3	6.7
New Orleans, La	847,202	95,729	11.3	312,211	54,278	56.7	36.9	17.4
New York City	3,401,214	1,102,905	32.4	779,971	505,130	45.8	22.9	64.8
Norfolk, Va	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Oakland, Cal	4,419,571	54,768	1.2	712,390	20,209	36.9	16.1	2.8
Philadelphia, Pa	2,246,218	265,674	11.8	368,354	114,505	43.1	16.4	31.1
Pittsburgh, Pa	2,246,218	63,629	2.8	368,354	24,052	37.8	16.4	6.5
Portland, Ore	477,559	62,002	13.0	65,075	13,144	21.2	13.6	20.2
St. Louis, Mo	965,360	86,999	9.0	178,961	37,062	42.6	18.5	20.7
San Diego, Cal	4,419,571	121,953	2.8	712,390	20,000	16.4	16.1	2.8
San Francisco	4,419,571	70,777	1.6	712,390	25,267	35.7	10.1	3.5
Toldeo, Ohio	2,292,647	56,943	2.5	44,178	10,876	19.1	12.7	3.7
Washington, D.C.	130,685	130,685	100.0	44,178	44,178	33.8	33.8	100.0

Compiled by the Council of the Great City Schools, 1977

TABLE 4.10

CHANGES IN SOCIAL AND ECONOMIC STATUS OF POPULATION IN TWENTY-THREE LARGEST METROPOLITAN AREAS 1950-60

Changes in	Central City Number (In 000's)	Percent	Suburbs Number (In 000's)	Percent
Number of families w/ more than $10,000 yearly income	+ 1,092	+ 322	+ 1,737	+ 762
No. of individuals over 25 years of age w/ 1 year or more of college	+ 360	+ 14	+ 1,709	+ 84
No. of white-collar workers	- 2	- .05	+ 1,735	+ 47

SOURCE: U.S. Commission on Civil Rights, *Racial Isolation in the Public Schools* (Washington, D.C.: U.S. Government Printing Office, 1967), vol. 1, p. 20.

Revenues versus Expenditures in the Great City Schools

Many of the older central cities have experienced serious fiscal and economic decline during the past two decades. Chronic unemployment, underemployment, small business failures, large business disinvestments, and massive emigration of middle- and high-income population groups have eroded the tax base. When combined with increased demands for public services, an enormous fiscal burden has often resulted. While revenues in urban centers have become increasingly scarce, pressures to expend an increasing amount to provide public services have mounted.

The Advisory Commission on Intergovernmental Relations concisely described how the fiscal problems of central cities impinge on urban schools. The following dimensions were included in the Commission's Report.

> Central cities are confronted with the growing expenditures from the rapid increase in "high-cost" citizens--the black, the poor and the elderly. At the same time their tax bases are

TABLE 4.11

FAMILIES WITH INCOME LESS THAN $3,000 FOR CITIES/SMSA'S/STATES

	Central City %	State %	SMSA %
Atlanta	13.7	14.6	8.1
Baltimore	12.5	7.1	7.8
Boston	10.5	6.1	6.1
Buffalo	11.0	8.2	7.1
Chicago	9.3	7.6	6.3
Cleveland	13.1	7.9	7.1
Dallas	8.7	13.1	7.8
Denver	9.1	8.9	6.6
Detroit	10.7	7.5	6.4
Long Beach	9.0	8.1	7.7
Los Angeles	9.2	8.1	7.7
Memphis	12.9	14.4	13.9
Miami	15.3	12.9	10.8
Milwaukee	8.2	8.2	6.0
Minneapolis	8.2	9.0	5.0
Nashville	9.4	14.4	10.1
New Orleans	19.0	18.9	14.5
New York	10.6	8.2	8.7
Oakland	11.4	8.1	7.0
Philadelphia	10.4	8.1	7.0
Pittsburgh	11.3	8.1	7.6
Portland	8.9	9.2	7.4
St. Louis	13.6	12.3	7.9
San Diego	9.0	8.1	8.5
San Francisco	9.9	8.1	7.0
Toledo	7.8	7.9	6.8
Washington, D.C.	10.5	NA	5.3

SOURCE: *County and City Data Book, 1972*, U.S. Department of Commerce, Bureau of the Census.

declining or increasing at a decreasing rate, reflecting the out-migration of industry and middle and high income families.

- Per capita local government expenditures in the central city exceeded suburban outlays in the 72 largest metropolitan areas in 1970 by more than $150. Differentials were greatest in the Northeast and Midwest and less pronounced in the West and South. Only nine suburban areas have per capita levels for total expenditures which were greater than those in their central cities. On the average, central city expenditures were 31 percent greater than suburban outlays.

- The gap between central city and suburban expenditures is largely the consequence of the higher non-educational demands in central cities. In general, non-education expenditures--police and fire protection and sanitation services chief among them--were double those in suburban areas. In no case did suburban non-educational expenditures surpass those of central cities; in 19 instances, however, central city expenditures outran expenditures in both education and non-education functions.
- Local school costs generally make up 33-38 percent of central city expenditures, while suburbs on the average utilize 50-60 percent of their budgets for education. Expressed another way, suburban areas exhibited a roughly 50 percent greater concentration on educational expenditures than did central city areas, despite the fact that schools in the central cities must carry the heavy burden of educating an increasing number of underprivileged and disadvantaged children.
- Per capita taxes were 30 percent higher in the central city than in the suburbs in 1970. The differentials were higher in the Southern and Midwestern regions. Higher central city taxes serve to reinforce the other factors pushing upper-income families and business firms out of the central city into suburbs.[6]

Some Examples of Fiscal Problems Confronting Great City Schools

The revenue problems of urban school districts have deep roots. Cities were called upon to assimilate a new wave of rural migrants into the industrial economy at a time when industries which offered employment opportunities were shifting their bases of operation out of the cities.

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[6] Advisory Commission on Intergovernmental Relations, *A Challenge to Federalism* (Washington, D.C.: U.S. Government Printing Office, 1976), pp. 33-34.

Resulting from the immigration from the south, the out-migration to the suburbs, and the aging of the existing population, those more heavily dependent on city services--the poor, the uneducated, the aged, the non-English speaking--have comprised an ever-increasing segment of the urban population. Below are a few examples of how cities have fared as a result of having to face such social responsibilities.

New York

In New York City between 1950 and 1970 the fraction of the population over 65 years of age grew from 8.0 to 12.1 percent, while the proportion of the city's families with incomes below the nation's median income level rose from 36 to 49 percent.

Simultaneously, economic activity shifted from New York City, thus affecting the city's tax base. In addition to the continued suburbanization of middle- and upper-income groups, many industries left the northeast altogether, while others found it more profitable to operate in the suburbs or on the fringe of the metropolian area. As Table 4.12 illustrates, while New York City's population remained relatively constant, jobs were lost at a rapid rate in the fifteen-year period from 1960 to 1975.

TABLE 4.12

CHANGE IN JOBS AND POPULATION IN NEW YORK CITY
1960-75

Year	Total Jobs[1] (In 000's)	Index*	Private Sector Jobs[2] (In 000's)	Index	Population[3] (In 000's)	Population[3] Index
1960	3,538.4	94.5	3,130.2	98.4	7,782.0	98.6
1970	3,744.8	100.0	3,182.0	100.0	7,895.6	100.0
1971	3,609.4	96.4	3,040.2	95.5	7,886.6	99.9
1972	3,563.1	95.1	2,998.6	94.2	7,847.1	99.4
1973	3,538.4	94.5	2,964.0	93.1	7,664.4	97.1
1974	3,458.4	92.4	2,877.7	90.4	7,567.1	95.8
1975**	3,375.8	90.1	2,802.6	88.1	NA	NA

*Data indexed using 1970 as base year.
**January-June 1975.

SOURCES: 1, 2: Bureau of Labor Statistics. 3: Bureau of the Census, as reported in Background Paper No. 1, Congress of the United States, Congressional Budget Office, October 1975.

Cities can exert little influence over either population shifts or the tax base trends. Together these have produced a steady increase in city tax levels which, in turn, has probably affected the types of persons and businesses willing to remain in or move into the city. Again, New York City illustrates this increase in tax burden. As depicted in Table 4.13, residents in that city experienced a steadily increasing tax burden for more than a decade.

TABLE 4.13

THE NEW YORK CITY TAX BURDEN
1964-75

Fiscal Year	Personal Income (In $ Billions)	Taxes* (In $ Billions)	Taxes as % of Personal Income
1963-64	27	2.013	7.6
1964-65	28	2.193	7.9
1965-66	29	2.152	7.3
1966-67	31	2.410	7.7
1967-68	34	2.626	7.8
1968-69	37	2.802	7.6
1969-70	39	2.958	7.5
1970-71	41	3.178	7.7
1971-72	43	3.736	8.7
1972-73	45	4.017	8.9
1973-74	48	4.506	9.4
1974-75	50	5.111	10.2

*Excludes fees and charges, stock transfer taxes and non-resident income taxes.

SOURCE: New York City Finance Administration, 1975.

In New York City, public schools depend on the city tax levy. As a fiscally dependent school district, it is subject to an overall tax limitation which includes support for education and other governmental services. Traditionally, each year the chancellor submitted his budget to the board of education, which in turn submitted its budget request to the mayor. Since the fiscal crisis of 1975, however, New York City now sets an expenditure limit for the schools, and the school district budget must remain within that limit. This expenditure limitation has resulted in a 14 percent reduction of total full-time staff, including cutbacks of 14 percent in guidance counselors, 25 percent in social service workers, 10 percent in teaching staff, and many school security guards. Most after-school and adult education programs have been severely curtailed or eliminated, including many athletic programs.

Philadelphia

In 1976 the city and school district of Philadelphia experienced a combined cumulative deficit of approximately $90 million. Since approximately 50 percent of the revenue for public elementary and secondary schools is provided by the state, half of the fiscal burden for education must rely on local effort. Local tax sources are largely based on the wage and property tax. The major revenue source for education is the property tax. Because of obsolete assessments, which failed to keep pace with the rising market value of the property, the financial condition of the Philadelphia school system remains poor. The city, however, which more heavily relies on the wage tax, has experienced an improved fiscal condition. The situation in the Philadelphia school system provides an example of revenue problems experienced by local school districts which are caused by state laws.

Washington, D.C.

A complex set of problems have occurred in the District of Columbia as a result of federal and local involvement in the funding and fiscal management of the school district. Recently, the mayor of the District, responding to a citywide hiring freeze enacted by Congress, imposed a job freeze on the city school system. This action prevented the school board from filling 1,000 vacancies, and from purchasing needed supplies. Additionally, the mayor withheld $1.8 million which had already been appropriated to the school board by Congress. This caused personnel problems among custodians who protested that they were both overworked and understaffed. The flow of revenue in the District of Columbia public schools was, thus, affected by its fiscal dependence upon municipal and federal government.

Detroit

Problems related to expenditures in large urban school systems were vividly portrayed by Norman Drachler in a paper presented to the Potomac Institute in 1973.[7] As superintendent of the Detroit public schools from 1966 through 1971, Dr. Drachler had experienced daily contact with the expenditure disparities which confronted that school system. The following excerpts from his report illustrate some of the unique conditions which increase school costs in large city systems.

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[7] Norman Drachler, "The Large City School System: It Costs More to Do the Same," in John Silard, Norman Drachler and Arthur Levin, eds., *Equity for Cities in School Finance Reform* (Washington, D.C.: Potomac Institute, 1973), pp. 15-44.

Vandalism	$ 1,000,000.00
Security guards	366,000.00
Lunchroom service	150,000.00
Bus tickets for indigent high school students	770,990.00
Transportation for students to relieve overcrowding and for safety (excluding federal and state-financed programs)	2,773,500.00
Summer school service	100,000.00
"Still Alarm" service	110,225.00
Educational upgrading for older buildings	10,000,000.00
TOTAL	$15,270,715.00

The augmented costs of normal operations in Detroit's system do not take into account the additional requirements for a more genuine equalization of educational offering. For example, if in 1968 Detroit had aspired to have a class size equal to the state average, an additional 1,200 teachers would have been required, at an additional cost of $12 million. Or, if in 1970-71 Detroit had served the number of children estimated to need special education, the additional sum required would have been $34 million. Or, in the same school year, if Detroit had offered a career education program adequate to serve its non-college-oriented students, it would have required an additional $10 million. A better index of these same program equalization aspirations is the number of professionals per thousand pupils. If, in the 1970-71 school year Detroit had aspired to have sixty professionals per 1,000 pupils--a ratio existing in many suburbs in the nation and surpassed by four suburban Detroit school districts--the Detroit school system would have required an estimated increase in the budget of $70,000,000.

Other factors, such as construction costs and salary differentials, need to be taken into account. In almost every category of the educational budget urban school costs are high compared to those costs in other school systems. School construction costs were higher in 1971. While the average estimated cost per raw acre in Michigan was $2,000, average estimated cost per acre in Detroit was $127,000. The estimated average cost of school construction for the state of Michigan was $2,500 per pupil for elementary schools, and $3,000 per pupil for both junior and senior high schools. The estimated cost in Detroit was $2,537 per pupil for elementary schools, $4,000 per pupil for junior high schools, and $4,879 per pupil for senior high schools.

Salary costs also were higher in Detroit compared with the average of 129 small rural school districts. The total enrollment for the 129 rural school districts was 17,855 pupils as compared to Detroit's enrollment of 289,382 pupils. The average salary cost per pupil in the 129 districts was $30.01; in Detroit it was $69.24. The salary differential between the rural districts and Detroit was $39.23 per pupil. The additional cost to Detroit for operational salaries was $39.23 X 289,382 pupils, or $11,352,455.

Salaries for maintenance alone were higher in Detroit than in the 129 rural school districts. The average per pupil cost of maintenance salaries for the 129 rural districts was $1.89, compared to $26.50 for Detroit. The differential was $24.61, and the additional cost to Detroit was $24.61 X 289,382 pupils, or $7,121,691.

Again, considering salaries alone, the cost of attendance services were higher in Detroit. The 129 rural school districts reported no salary expenses for attendance service, compared to Detroit's $9.02 per pupil. The state average for attendance service, however, was $2.70. Thus, the additional cost for Detroit's attendance service salaries was $9.02 X 289,382, or $2,610,225.

Average teacher salaries were also higher in Detroit. The average salary for the 129 rural districts was $8,387, compared to Detroit's average of $11,475. The Detroit differential was $3,088 per teacher for 11,136 teachers, or $34,387,968.

Thus, total estimated costs to Detroit above the average for the 129 rural school districts were $55,472,339. Added to these construction and personnel costs for school district operation are the costs of miscellaneous expenditures itemized below.

In 1970-71, the total school expenditures for Detroit (including federal and state special grants) were:

Cost of conduct of schools	$ 263,972,902.00
Other general fund expenditures	14,810,221.00
Building funds	22,153,034.00
Debt retirement fund	12,684,023.00
TOTAL	$ 313,620,189.00

Thus, the urban cost of school equalization for Detroit in 1970-71 would have been 48.5 percent. In other words, for Detroit to have offered the same educational program to its pupils as the non-metropolitan school districts in Michigan, Detroit's annual school budget would have had to be increased by approximately half again. This illustrates the central proposition of Drachler's study "to achieve genuine statewide educational offering equalization, any fair state funding formula must be weighted for the indigenous costs of urban education."

Significant response to the fiscal problems of Detroit was provided through school aid legislation which adjusted for "municipal overburden" within the state of Michigan. This legislation allocates additional revenue to school districts which are located in areas where the non-school tax burden is relatively high. School districts receive additional state aid in proportion to the degree to which the non-school tax rate is greater than 125 percent of the statewide average.

Municipal Overburden

In recent years, rising costs of municipal government and of large city school systems have increased awareness that city schools and other governmental services use the same tax base. Changing and declining enrollments in urban schools have dramatically drawn attention to the limitation of the municipal tax base. The discrepancy between a city's financial obligations and its fiscal capacity to meet those obligations with reasonable effort is referred to as "municipal overburden." Most frequently, the term has been used to describe the contrast between central cities and suburban areas in educational expenditures on the one hand and non-educational expenditures on the other.

Since 1957, when data on central city-suburban fiscal disparities were first compiled, central city per capita educational expenditures have been consistently below those of suburban areas.[8] In 1957, inner city expenditures were 76 percent of those in the suburbs. By 1970, they had climbed to 87 percent of the suburban level. But the fact that cities are still not spending as much per capita on education as suburbs does not indicate the magnitude of the problem. By the deployment of greater resources against less severe problems, suburban areas have been providing a higher level of funding for education. Cities have been unable to do this because of public service demands in non-educational areas.

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[8] Advisory Commission on Intergovernmental Relations, *City Financial Emergencies: The Intergovernmental Dimension* (Washington, D.C.: U.S. Government Printing Office, 1973), p. 141.

Cities Face a Greater Demand for Public Services

Large cities face a heavy demand for protective and social services caused by differences in income and educational levels, density of population, and type and use of housing structures. These high-cost service areas include police, fire, health and hospitals, housing code enforcement, sanitation, refuse pickup and disposal, and in some cities and states the "general relief" category of the welfare load. General relief, aid for needy people not falling into any of the four categories of old age, disabled, blind, or families with dependent children, is funded entirely by the state government in some states, shared with local governments in many others, and in a few cases left mostly to municipal governments.

In addition to the greater service needs of lower-income and more densely-settled populations, some of the services suffer from what are called "diseconomies of scale," where the unit cost of the service becomes more expensive to deliver when the administering jurisdiction reaches a population size more than a quarter to a half million. The points at which diseconomies begin are not clearly established for each service, but there seems to be good evidence that for the very large cities, the per capita costs are greater than for moderate-sized jurisdictions. Per capita total expenditures (educational and non-educational) in the thirty-seven largest SMSAs showed a ratio of central city to suburban fringe of $125 in 1957 and $143 in 1970 (25 and 43 percent greater per capita expenditures, respectively). These ratios for the four major regions of the country for 1970 were: northeast, 148; midwest, 138; south, 128; west, 126.

As in most other measures relating to the central city-suburban question, the differences become less distinct when one leaves the northeast and upper midwest and goes to the south and west. In 1970, three metropolitan areas showed lower per capita expenditures for all services in the central city than in the suburbs--Paterson (New Jersey), Houston, and San Antonio. For non-educational expenditures, the central cities in 1970 were spending about $413 per capita and the areas outside, $198--about half as much. Areas in which central cities were outspending suburbs by three times included Baltimore, Cincinnati, Atlanta, Louisville, and Denver. Those in the two and one-half times category were Newark, Philadelphia, St. Louis, Columbus (Ohio), Dayton, and Portland (Oregon). Areas in which the difference was slight included Houston, Dallas, New Orleans, Tampa, San Diego, and Los Angeles. During the period 1957-70, central cities and suburban areas showed a fairly stable emphasis of the inner city on non-educational expenditures and suburban areas on education. Education on the average accounted for about one-third of inner city budgets in this period and accounted for slightly over half of suburban budgets.

In the final analysis, all city expenditures must be financed from revenues, principally taxes. The tax burden as measured by dividing per capita state-local taxes by per capita personal income shows that in 1970, city residents in the United States, on the average, were paying 6.7 percent of income for state-local taxes compared to only 5 percent in the suburbs. These areas have a younger, better educated population, a high percentage of which is white, with considerably lower crime rates and much more expensive housing. These socioeconomic differences are reflected in vastly different breakdowns of public expenditures in the inner cities.

The Dilemma: The Use and/or Non-Use of Untapped Capacity

The economies of some large cities are still strong enough to raise more of the money they need by sharply increasing their own taxes. In his survey of state and local fiscal systems, George F. Break concluded that it was doubtful:

> . . . that any city has yet come very close to the limit of its ability to finance its own public services.. Property taxes could be improved (i.e., increased) in many ways, local sales and income taxes could be used more effectively and intensively than they now are, and a revamping of municipal service charges could convert them into a more equitable and productive source of general revenue.[9]

More recently, Arnold Meltsner has argued that "although there may be some . . . poor cities . . ., there is no long-run scarcity of resources."[10] Meltsner urged city officials to be more aggressive in using various strategies and tactics to extract greater revenues from the public, concluding that, "Without committing political suicide, local leaders can do something about the fiscal conditions of their cities."[11]

That some cities can make a greater tax effort is apparent from the fact that as late as fiscal 1973-74, twenty-one cities of over

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[9] George F. Break, *Intergovernmental Fiscal Relations in the United States* (Washington, D.C.: Brookings Institution, 1967), p. 223.

[10] Arnold J. Meltsner, *The Politics of City Revenue* (Berkeley: University of California Press, 1971), pp. 248-49.

[11] *Ibid.*, pp. 248-49.

300,000 still did not impose a sales tax, thirty-two did not impose a payroll or income tax, and eleven imposed neither.[12] Furthermore, over the years various studies have shown that some large cities raise five times the taxes per capita and over three times the taxes in proportion to average personal income of their residents as do other cities. This indicates that Break and Meltsner are certainly correct about the abilities of low-tax, low-effort city governments to extract greater revenues.

A study conducted by the Advisory Commission on Intergovernmental Relations (ACIR) shows, for example, that in 1970, San Francisco, New York City, Boston, and Newark were taxing their citizens $436, $384, $369, and $352 per capita respectively, while the per capita taxes raised in San Antonio, New Orleans, and Houston were only $102, $148, and $170. Calculated as percentages of personal income, Cleveland, Boston, San Francisco, and Newark were taking 14.1 percent, 11.6 percent, 10.5 percent, and 10.2 percent in taxes, while San Antonio, New Orleans, Houston, and Seattle were extracting only 4 percent, 4.8 percent, 5.1 percent, and 5.2 percent.[13]

Another recent study by the ACIR tried to established the theoretical revenue-capacity of sixty-nine selected cities of over 100,000 in population and the relative revenue-effort such cities were making (calculated as the proportion of their capacity that they were using). It found that among major cities such "efforts" ranged from highs of 131 percent, 118 percent, and 117 percent for New York City, Baltimore, and Los Angeles to lows of 75 percent, 85 percent, and 88 percent for New Orleans, Chicago, and Columbus. As indicated in Table 4.14, this means that the cities on the high end of the scale were making an effort of between one and one-half to two times those on the low end.[14]

Here, then, is the dilemma. Despite the theoretical capacity for raising larger revenues, there are constraints preventing large-city governments from actually making greater tax efforts. City governments may lack the legal authority to raise existing taxes or to impose new ones. Their key decisionmaking officials are aware that increasing taxes may have unfavorable electoral repercussions. City officials typically believe that sharply increasing taxes will accelerate the ongoing flight of middle- and upper-income families and of businesses to the suburbs. Moreover, because school taxes are frequently subject to approval of the electorate, they are highly vulnerable. Per capita expenditures and per capita taxes are already higher in almost all central cities than the average in their surrounding suburban rings. And since almost all large cities have lower average family incomes than their surrounding suburbs, residents of larger cities are paying higher taxes, both in absolute terms and in proportion to their lower incomes.

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[12] U.S. Bureau of the Census, *City Government Finances in 1973-74* (Washington, D.C.: U.S. Government Printing Office, 1975).

[13] Advisory Commission on Intergovernmental Relations, *City Financial Emergencies* (Washington, D.C.: U.S. Government Printing Office, 1975).

[14] Advisory Commission on Intergovernmental Relations, *Measuring the Fiscal Capacity and Effort of State and Local Areas* (Washington, D.C.: U.S. Government Printing Office, 1971).

TABLE 4.14

MEASURES OF LOCAL GOVERNMENT REVENUE-EFFORT FOR FOURTEEN SELECTED CITIES

City	Local Government Revenue Effort (% of Capacity)
New York	131
Baltimore	118
Los Angeles	117
Philadelphia	115
Boston	113
San Diego	112
Seattle	110
St. Louis	108
Pittsburgh	103
Memphis	96
Cleveland	91
Columbus	88
Chicago	85
New Orleans	75
Washington, D.C.	70

SOURCE: Adapted from Advisory Commission in Intergovernmental Relations, *Measuring the Fiscal Capacity and Effort of State and Local Areas* (Washington, D.C.: U.S. Government Printing Office, 1971), Table A-4, as revised in "An Information Report Revision," January 1972.

With respect to grants-in-aid, the amounts that go to large cities have been low relative to the taxes paid by city residents and businesses, to the perceived needs of city officials for improving the level of performance of their governments, or to what political jurisdictions in the state's rural or suburban areas receive. This results from allocation formulas for grants or shared taxes being skewed so that large city areas receive less--sometimes far less--per capita than other areas and from the unwillingness of all but a tiny handful of states like New York, California, Massachusetts, and Pennsylvania, to establish grant programs relevant to the specially burdensome and expensive conditions that local governments must cope with in large cities.[15] Moreover, in over half of all states with large cities, state educational aid actually gives larger amounts per student to school systems in generally wealthier and more easily educable suburbs.[16]

Most cities which have been severely affected by declining enrollments have also been affected by eroding tax bases caused largely by the hardships of their inhabitants. Richard Nathan of the Brookings Institution constructed a "hardship" index based on the extent to which fifty-eight cities in 1970 were experiencing selected undesirable characteristics relative to their surrounding suburban rings.[17] The index shows that most of the large cities (36 of 46) do suffer "hardship" or "disadvantage," with varying degrees of severity. The cities experiencing the most severe hardship are primarily located in the eastern and midwestern parts of the nation. The rankings of hardship also show, however, that a small minority of large cities (10 of 46) were either on a par with their suburbs or enjoyed a degree of relative advantage. These cities are almost exclusively in the "sunbelt" area of the nation's southern and western rim. The cities over 250,000 population that, according to Nathan's index, were experiencing the most serious hardship (in descending order of hardship, with an index of one hundred indicating parity between central city and surrounding ring) are:

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[15] See Alan K. Campbell and Donna E. Shalala, "Problems Unsolved, Solutions Untried: The Urban Crisis," in Alan K. Campbell, ed., *The States and the Urban Crisis* (Englewood Cliffs, N.J.: Prentice-Hall, 1970), pp. 9-11. See also Advisory Commission on Intergovernmental Relations, *Urban America and the Federal System* (Washington, D.C.: U.S. Government Printing Office, 1969), esp. Chapter 2.

[16] Advisory Commission on Intergovernmental Relations, *Urban America and the Federal System*, pp. 14, 19-20; and Advisory Commission on Intergovernmental Relations, *City Financial Emergencies: The Intergovernmental Dimension* (Washington, D.C.: U.S. Government Printing Office, 1973), Table B-29, pp. 149-50.

[17] Richard P. Nathan and Charles Adams, "Understanding Central City Hardship," *Political Science Quarterly* 90 (1976): 55-56, Table 2.

City	Index	City	Index
Newark	422	Boston	198
Cleveland	331	Milwaukee	195
Baltimore	317	Buffalo	189
Chicago	256	San Jose	181
St. Louis	245	Columbus	173
Atlanta	226	Miami	172
San Antonio	220	New Orleans	168
Rochester	215	Louisville	165
New York	211	Akron	152
Detroit	210	Kansas City	152
Philadelphia	205		

Those large cities that were experiencing the least hardship or were even enjoying advantages relative to their suburban rings were:

City	Index	City	Index
Tampa	107	Houston	93
Los Angeles	105	Phoenix	85
San Francisco	105	Norfolk	82
Portland	100	Nashville	77
Omaha	98	Seattle	67
Dallas	97	Memphis	55

Summary: Some Common Fiscal Problems of Older Central Cities

Overall, large cities have a unique set of fiscal constraints in raising and distributing funds for education. These include: (1) fixed boundaries which prevent further territorial growth or expansion; (2) limited taxing powers and an eroding tax base as a result of departing and shifting population; (3) massive and entrenched bureaucracies with pension liabilities that are beginning to strongly affect the total system; (4) additional demands on the property tax dollar for such non-educational services as police, fire protection and health care; (5) a concentration of population that is increasingly poor and unemployed; and (6) a greater percentage of students needing such specialized educational services as compensatory education, special education, and vocational education. Socioeconomic and ethnic, as well as educational considerations, are related to the increased education costs of urban school systems. These costs have increased in proportion to the changes in population.

State Aid for Changing and Declining Enrollments

There is no doubt that fewer students mean less state aid. Except in those states which have implemented an effective adjustment for enrollment decline on a per pupil basis, locally-raised revenues in urban school districts will be required to increase more rapidly than state aid to compensate for the increase in educational costs. Because most states employ some variation of the Strayer-Haig equalization formula, urban school districts which have suffered both change and decline will be affected in the computation of wealth and ability to pay for purposes of the state aid program. This is true because, holding all other factors constant, the extent per unit of pupil decline will vary inversely with the property wealth per pupil. Consequently, the greater degree of enrollment decline in large city school districts will result in a greater loss of state aid due to its apparently greater relative wealth.

Some states have included some variation of a district power equalizing formula in their recent efforts to reform school aid formulas. Urban school districts which have higher than average enrollment declines may be affected because of political realities. In such a state aid distribution formula, an increase in state aid is a function of an increase in the local levy. Heavy enrollment declines, on the other hand, are frequently accompanied by the inability of citizens to increase millage rates. When state aid formulas do not adjust for this inability, a reduced share of state aid is realized by high enrollment decline districts.

Although some states now provide for the changing enrollments in large city schools through the implementation of what may be called urban adjustments, this is generally not the case. To the extent that such adjustments relieve local school districts of the excess costs of educating increasingly minority and poor student populations, they may be effective. States using adjustments have made them on the following basis: aid to families with dependent children; population density; educational costs; tax burden of urban taxpayers as compared with that of citizens in other parts of the state; the number of pupils enrolled in compensatory education classes; cost-of-living adjustments; and the incidence of bilingual pupils.

Three of the above are adjustments for "disadvantaged pupils: minority-bilingual, proportion of pupils on AFDC, and students' achievement level. While thirteen states have established programs for bilingual pupils, none has directly attacked the problem of the disproportionate number of minority pupils residing in urban areas. Three states have taken into account the proportion of AFDC pupils in reforming their basic aid programs. This economic indicator is of grave significance to urban school districts. Only one state has taken into account the achievement of students. Similarly, a relatively insignificant number of states (6) has responded to the added costs of educating disadvantaged pupils, a disproportionate number of whom are residing in the urban school districts. Even a lesser number (4) has included the concentration of such pupils in their basic aid formulae.

The use of a per capita as opposed to a per pupil measure of property wealth, which would tend to provide a more accurate reflection of a community's resources to finance all types of services (educational and non-educational) has been instituted in two states. Cities would receive more aid from a program based on per capita property wealth than one with a per pupil measure. This is reflective of the fact that cities have relatively fewer public school students but more residents, such as the poor and the elderly, who require more costly services than do other types of communities. A system which recognizes municipal overburden would be a step toward solving this problem. However, only one state has a provision for municipal overburden in its basic aid formula.

Density adjustments are designed to allocate aid on the basis of relative population. For example, a state basic aid formula could provide additional aid to areas above the state's median density. This adjustment has been employed in two states.

Yet another approach to a solution of the excessive fiscal burden which urban school systems must bear is the effective use of a cost-of-living index, such as that implemented in the Florida finance program.

There are many ways in which adjustments may be made in state school finance enactments which would tend to strengthen the fiscal position of central city school systems. This might be accomplished through adjustments in basic aid formulas or, less desirable, through categorical aid programs. Overall, states have made some effort to include the consideration of urban fiscal problems in the reform of school finance systems. The magnitude of the problem, however, suggests the need for more concentrated effort. Currently, one might postulate that, all factors considered, urban school systems have received relatively little attention in recent school finance reform legislation.

MANAGEMENT PROBLEMS CAUSED BY CHANGING AND DECLINING ENROLLMENTS IN GREAT CITY SCHOOL DISTRICTS

The Problem of Managing Decline

The advent of a reduced yet changing student population in central city schools poses an array of management problems for their educational administrators. After experiencing two decades of enrollment growth from 1950 to 1970, and having adjusted to an ever-expanding need for additional teachers, buildings, and the money to pay for them, the urban school administrators must now regroup. Educational planning in these school districts must now be based on decline and change rather than on growth. The prospects are strong that more than a quarter of the peak enrollments will be lost over the fifteen-year period from 1970 to 1985; an even greater decline will occur in subsequent years. The effective urban school administrator from 1950 to 1970 was one who could manage growth. The effective urban school administrator in the ensuing decade will be one who is competent to manage change and decline.

On the surface, management of change and decline would seem the simple obverse of managing change and growth. The educational administrator would close schools rather than build them, lower taxes rather than raise them, reduce rather than increase staff, and decrease rather than increase supply orders. However, the solution is not quite that simple. Affirmative action plans, for example, must be implemented among both students and staff despite neighborhood population patterns. Reductions in the teaching staff may be beset by teachers who are organized and have demonstrated a powerful capability for blocking such reductions, even at the expense of foregoing salary increases. It might be easier to build a school than to close one.

Despite enrollment declines, all over America the costs of schooling continue their steady rise, primarily because pupil-teacher ratios also have steadily declined. Since 1955 when 30:2 pupils per professional were reported, the pupil-teacher ratio dropped to 20:4 in 1975. This decline partly resulted from a reduction in teacher load, and partly from a great expansion in supervisory, guidance, and administrative personnel. As the rate of pupil decline accelerates in the years ahead, this ratio of pupils to professional personnel may be expected to drop at an even faster rate because boards of education will be reluctant to make difficult decisions to reduce staff. Schools are a major employer of labor in urban school systems, and boards of education as they are now constituted are ill-equipped for the hard political task of reducing employment opportunities.[18] Therefore, the costs per student can be expected to continue their steady rise even as the number of pupils decline.

State funding of schools on the basis of average daily attendance must be reconciled with the high rates of absenteeism prevalent in large city school systems. Relationships with city agencies must be formed or solidified. Curricula must be changed. Community sensitivities must be considered. Foremost, children must be effectively educated. The problems of managing change and decline in the Great City schools are numerous and complex and can most easily be discussed under the rubrics of student needs, personnel management, facilities, and intergovernmental relations.

Student Needs

As a result of changing and declining enrollment, it has become increasingly clear to school administrators across the country that how students are educated today must change if the public school system is to remain viable and vital. Because the current student population in the Great City schools is comprised largely of economically disadvantaged and racial minority group children, existing educational strategies should be evaluated to determine their effectiveness in meeting the special needs of the current student population. On the whole, disproportionate numbers of high need/high cost students are found in large city school systems. The potential achievement levels of such students have often been underestimated. Counseling services frequently have been inappropriate for determining academic goals. Effective educational management would include the implementation and improvement of educational programs required to treat the educational ills of a changed urban school population.

Personnel Management

One of the more difficult attributes of changing and declining enrollments is its impact on personnel management. The urban school personnel manager may become entrapped in a complex of contradictions. As the number of students declines, the number of teachers allowed in the state aid formula also declines. As the number of children with unique educational needs increases, so does the need for teachers who are adequately trained to respond to these needs. Since personnel costs are the largest item in the educational budget, staff reduction and/or redevelopment of staff is required. However, union contracts must be considered in the retention or termination of staff, and affirmative action guidelines for racial balance among the teaching staff have to be met. Of all the adverse consequences caused by the shift in enrollment patterns, problems in the area of personnel management were reportedly the most pervasive and difficult to resolve.

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[18] H. Thomas James, "Getting More Adequate Financing for Schools--What are the Prospects?" A paper prepared for the American Association of School Administrators, Las Vegas, Nevada, February 28, 1977.

From the late 1960s into the early 1970s educational administrators were able to minimize personnel costs and to maximize teacher productivity through the maintenance of a balance in the training and experience of the teaching staff. This management capability was particularly pronounced in large urban school districts where teacher turnover was greatest, and where a variety of staffing patterns were feasible. Changing and declining enrollments, however, have seriously limited the ability of urban school officials to exercise such economies.

Currently, large city school systems, confronted by constantly rising costs and declining enrollments, must rely on attrition of existing staff to avoid teacher layoffs. When cutbacks are required beyond the rate of attrition, teachers are most likely to be terminated. (see Table 4.15). The result of such personnel action is a rapid rise in the average training and experience ratios for high decline school districts and an increase in costs. For example, the experience ratio of Detroit's teaching staff was approximately 10 percent above the average for the state of Michigan in 1975. Its turnover rate was among the lowest in Wayne County. As Detroit's enrollment continued to decline more rapidly than the rest of the state, the average teacher salary rose more rapidly independent of changes in the salary schedule. Similar results have been experienced by other school districts as staff reductions proliferate and hiring is curtailed.

Racial balance and affirmative action: School desegregation orders and affirmative action mandates have had both an external and internal impact on big city school systems, especially in the South. In some cities, such as Dallas and Memphis, the external impact of required racial balance among students and staff has been seen in an accelerated emigration of white students from the city schools. As increased numbers of minority group children enter the public schools and as the transporting of students and/or staff becomes necessary, southern school systems have experienced a loss in community support. Memphis, for example, has experienced heavy losses of white students over the past two years as the student population became increasingly black. Part of the reason for the heavy emigration of white families is that white support for public schools apparently tends to decrease as black pupil population increases.

TABLE 4.15

ENROLLMENT TRENDS AND STAFF REDUCTION

School District Size		over 25,000 (127)	10000-24999 (182)	2500-9999 (144)	300-2499 (573)	Total
Some Staff Reduction		48.8%	34.6%	36.8%	20.5%	36.3%
Reduced Categories						
Teaching:	Some	90.7%	89.1%	92.2%	96.2%	91.4%
	None	9.3%	10.9%	7.8%	3.8%	8.6%
Special Service:	Some	38.9%	38.2%	21.6%	3.8%	29.0%
	None	61.1%	61.8%	78.4%	96.2%	71.0%
Administrative/ Supervisory:	Some	61.1%	56.4%	37.3%	7.7%	45.7%
	None	38.9%	43.6%	62.7%	92.3%	54.3%

SOURCE: Educational Research Services, 1973, unpublished report to the National School Boards Association, 1973.

The internal pressures a school district faces as a result of the desegregation process typically manifest themselves as personnel issues. Court desegregation orders usually require specific percentages of minority group teachers to be on staff and assigned to certain schools. The Dallas school system, for example, is now under a court mandate to hire a specific percentage of Mexican-American personnel. As a result, the system has had to cope with a certain degree of hostility from the white community because qualified whites must be bypassed until the guidelines for Mexican-American personnel have been met. Affirmative action under Title IX has required that a certain percentage of female teachers and administrative personnel be maintained. Title IX has meant that many male school administrators are now in "deadend" jobs in Dallas, since administrative advancement must now consider women and minorities. Consequently, those men being passed over for promotion are beginning to look elsewhere for employment.

Implementation of affirmative action programs has posed similar problems for western school districts. In Long Beach, the number of Spanish surnamed students has dramatically increased. Although the school district is supposed to hire a proportionate number of Spanish surnamed teachers, they have had difficulty finding enough teachers to fill the available slots. While other teachers may be available, they cannot be hired.

The problems inherent in hiring minority group teachers sharply contrast with the difficulty of reducing the non-minority teaching force. Detroit, like most other large cities with budget difficulties and declining student enrollments, has found itself with the immediate problem of excess teachers. Because of stringent labor union contract terms governing the layoff of teaching personnel, Detroit has concentrated on developing a viable hiring procedure which would allow flexibility in reducing staff. Newly hired teachers are given substitute status for the first one hundred days of the school year. If, within four weeks after opening day, it appears that the school's student population will be less than projected, the new hiree may be laid off. The Denver school system had in the past hired 600 to 700 teachers each year, but in 1975 was able to hire slightly more than 100 teachers, although affirmative action guidelines required that more be hired. The expected attrition among tenured teachers did not materialize sufficiently to attain affirmative action goals.

Staff Reduction: To reduce tenured staff below the level accomplished by attrition, several school systems have instituted changes in teacher retirement policies. In Memphis, a teacher may retire at age sixty or after thirty years of service. In Chicago, where teachers may remain in the classroom until age seventy, retirement benefits decrease for those teachers who remain in the system past age sixty-five; and retirement is mandatory after thirty-eight years of teaching.

Other school districts have imposed residency requirements on teachers and/or administrative staff. Fifty percent of Buffalo's teaching staff now lives in the suburbs; a residency requirement, to be imposed in three years, has dual objectives. Those teachers who do not move back into the city will be removed from the payroll, thereby reducing staff. Additionally, it is hoped that the influx of families back into the city as a result of the residency requirement, will improve community support for the school system and strengthen the existing tax base.

The cuts in personnel have disproportionately impacted on the young black teaching community. During the 1960s, the major thrust of teacher recruitment was toward minority group personnel in general. Black teachers were hired in significant numbers, primarily because of the scarcity of other minority groups. Blacks, being the last hired, were the first fired; layoffs among teaching staffs have been felt most by this group. Although school systems are becoming increasingly black in urban areas, young black teachers have found themselves unemployed because of a seniority system which dictates that they must be terminated first.

As young professionals leave the system, they take with them today's new educational methods. Consequently, many urban school administrators feel that one priority that must be accomplished is retraining existing teacher personnel. When asked how they would spend a $50,000 grant to their school system, several conference participants responded that the money would be used to provide intensive in-service training, primarily for teachers but also for administrative staff.

Facilities

Common sense would seem to dictate that the enrollment of fewer students means less need for classroom space. However, it could mean that we must take a new look at the availability of working space for each child and groups of children. Such a view of the use of space is particularly important in congested central-city areas. Nevertheless, enrollment decline poses the usual problems. Should schools be closed? Will closure save money? *Which* schools will be closed? How are teachers shifted? What about community opposition?

The decision whether to close an underutilized school building is influenced by several considerations. Long Beach's experience is illustrative. In the inner city of Long Beach, which is very small and crowded, classroom space is at a premium; more facilities are needed. In the areas outside of downtown, where classroom space goes begging, two schools were closed--one in an industrial area and one in a residential neighborhood. Community opposition to closing the schools was so strong that Long Beach halted its plans to close others.

The decision to leave marginal schools open was also influenced by the fact that the savings realized by closing a given facility are not that great--by closing two schools, Long Beach saved a net of less than $100,000 per year. There was no saving in personnel costs since the teachers at the two closed schools were transferred to other schools along with the students.

Long Beach found that the amount of money that could be saved by closing a school depended on finding alternative uses for the schools. Realizing that the sites could not be given up permanently because of the expense of acquiring land and building new schools if enrollments increased again, the school system decided to lease the empty school buildings to the county government for special education programs. At the other school, which remained open but had excess space, individual classrooms were leased to other city agencies or were refurbished into workshops, lounges, or laboratories. By raising the standard of some existing buildings, the city hopes to be able to tear down only its most obsolete schools.

When enrollment begins to rise, and replacement schools are built, the entire system of school facilities will have been updated and modernized.

The facility costs--including maintenance and operation--of school systems are perhaps the least amenable to local school district control. Short of school closure, the costs of operation and maintenance of facilities will be virtually unaffected by the enrollment decline. Although the closing of school buildings may make it possible to eliminate older facilities which have safety problems and high utility costs from inefficient heating and lighting systems, a major difficulty is the mismatch between efficiency of facilities management and community wishes. It may not be politically feasible to close the most inefficient school facilities in many school districts.

Intergovernmental Relations

Many of the problems caused by declining and changing enrollments have impacted the internal management of urban school districts; those same concerns have external implications as well. School districts cannot operate successfully in a vacuum. There must be a conscientious program to coordinate the delivery of educational services within a given city. To accomplish this, it is imperative that lines of communication be established between the public school system and other city agencies.

School district and city administrators have tended to view the causes of declining and changing public school enrollments as independent problems rather than as an integrated complex of issues that impact the entire city. All of the factors that have contributed to declining enrollments in city schools (i.e., housing patterns, lack of jobs, slowed economic development, the perceived negative image of city life in general) are the same factors that have contributed to a massive out-migration of families to the suburbs. Declining enrollment is not an isolated phenonemon--it must be viewed within the context of the vitality of the city itself.

To counter the effects of changing and declining enrollments, therefore, city and school systems must work together. If schools were to improve, many families might return to the city; if other city services improved, many families might also return. School system projects that are designed to improve the quality of educational services must be supported and augmented by other city agencies if the city and the school system are to survive intact.

The Baltimore city effort to reduce absenteeism illustrates inter-agency collaboration. The Absentee Peer Telephoning Project, which has been supported by the business community, has the effect of reducing truancy. As daily enrollment increased, federal and state funding increased. More available dollars meant increased ability to improve the quality of educational services offered, such as the creation of "magnet" schools which offer special educational opportunities and are open to all city students. Improved schooling will attract some families back into the city, which will, in turn, increase the city's tax base and its treasury. Increased city dollars may in turn be used to revitalize decaying urban areas to attract people and businesses back to downtown. This example is oversimplified and is not intended to imply that cooperation between cities and school districts will automatically eradicate every problem experienced by all agencies involved. However, with enrollments at an all-time low, now is the time for city agencies and school districts alike to carefully examine their common problems and to plan toward mutually beneficial solutions.

ALTERNATIVES FOR GREAT CITY SCHOOL SYSTEMS AFFECTED BY CHANGING AND DECLINING ENROLLMENTS

Effective response to the problems of school management occasioned by changing and declining enrollments in large urban school systems will require action at all levels of government. Local citizens and school boards must be apprised of the nature and magnitude of the problems. State legislators must be encouraged to actively seek to reform school finance enactments to make them responsive to the numerous fiscal dilemmas. The Congress must be made cognizant of the subversive effects of such problems to the attainment of equal educational opportunity. The attainment of these goals will demand intensive planning by educational leaders throughout the nation.

Some Alternatives for Local School Districts

To effectively plan for more efficient local school district administration in an era of changing and declining enrollment, reliable enrollment projection techniques will be required. Through improved projection and analysis techniques, a more realistic projection of the number of pupils to be expected in each of the next ten years may be prepared, publicized, and continuously updated. A staffing chart reflecting the personnel needs of the school district for ten subsequent years may be derived from such projections, thus facilitating more effective personnel and budget control.

It is estimated that 12 million fewer students will be enrolled in schools throughout the nation in the mid-1980s than are currently enrolled. If these projections are at all accurate, staff reductions approaching half a million seem likely. The difficult decisions of what programs and personnel must be curtailed may be assisted through the development of information systems at the local school district level which will include all publics concerned with school operations. An example of such an information system would include a citizens' committee, appointed by the board of education for the discussion of specific issues, where dissatisfaction can be expressed, complaints can be heard and aggregated, and demands can be sharpened and clarified and brought back to the board as clear-cut proposals for action.

The formal school survey is yet another method of providing needed information for decisionmaking at the local school system level. Management/consultant firms or teams of university specialists may be retained to analyze school system problems, provide the board with the information necessary to solve them, and focus enough popular attention on the need for change to counteract the system's inertia.

Especially appropriate for large urban school districts is the development of a staff responsible for policy and budget analysis. Such a staff component need not require additional expenditures in personnel costs, but may absorb excess teaching and administrative personnel. Whatever technique is employed, it is essential that the information available to school boards be increased and the efficiency of that communication flow be improved. This alternative cannot be ignored if services rendered by school systems are to improve through local efforts, if local demands are to be satisfied, and if local support is to be secured.

The new set of problems resulting from changing and declining enrollments will require school administrators who are effective in managing schools in a period of decline and change. Administrative training programs may be employed to fulfill this need. Likewise, a new set of instructional problems attend the change in enrollment in large urban school districts. Instructional personnel training also should be implemented.

Some Alternatives for State Legislatures

State legislatures may contribute to the solution of problems resulting from enrollment change and decline by re-evaluating state support mechanisms for education.

Aggregate general aid may be based upon the average pupil count for the preceding three to five years. Each year may be weighted equally with the others, or more recent years may receive greater weight in the basic aid formula, thus distributing the aid flow over time and permitting more effective local planning. Consideration of the degree of decline may be added, thus introducing a schedule of aid which would apply to different school districts based on the degree of enrollment decline.

State aid programs may take into account local school district needs, though; for example, adjustments for differential teacher training and experience. Some states have already incorporated special mechanisms for recognizing the added costs of more experienced or more educated teachers which might be used more extensively to offset urban instructional costs.

Two remaining alternatives tend to respond to the unique needs of school districts in central cities which are affected by changing and declining enrollments. These are: (1) aid to districts for the full excess cost of vocational, compensatory, and special education; and (2) municipal overburden type adjustments.

Some Alternatives for the Federal Level

It is the responsibility of the Congress to enact legislation which supports the general welfare of the American people. The legitimate function of government is to do for a community of people what they cannot do individually or cannot do as well in their individual capacities. Clearly, the solutions to the problems of changing and declining enrollments are beyond the scope of urban communities. Federal assistance will be required. Education professions and development type programs would greatly assist these districts in staff training needs. Programs designed to provide such auxiliary services as health and recreation may also be considered. Research and development programs to facilitate the flow of information to local decisionmakers may be provided through the National Institute of Education. Since Title I has, heretofore, been effective in responding to the problems of economically disadvantaged students, numerous adjustments to that allocation formula might be considered.

IMPLICATIONS FOR RESEARCH AND POLICY

The Council of the Great City Schools' Conference on Changing and Declining Enrollments provided a point of departure for the development of an action plan to effectively deal with the problems of enrollment change and decline which now plague central city schools. The atmosphere was calm but the message was clear. The problems engendered by changing and declining enrollments are monumental and cannot be resolved at the local school district level without the assistance of higher levels of government.

Many problems remain unresolved. The need to engage in research and development activities related to changing and declining enrollments is clear. The following areas illustrate the magnitude of the problems which deserve attention:

1. Long-range planning is essential to educational management. Effective planning, however, will rely heavily on the ability of educators to isolate those factors which impinge on the operation of schools, and to make sound projections related to these factors. Since reliable forecasting is, in part, the result of valid information, the need exists to design information systems to facilitate decisionmaking based on sound projections. A data base will be required which will allow for reliable analyses.

2. Through the services of properly trained educational personnel, effective educational programs for urban settings can be developed. The need exists, therefore, to study the effectiveness of professional development activities which seem to be most appropriate to the development of educational programs for urban students. Research should also be conducted which will ascertain the effectiveness of educational programs in large school systems which are faced with changing and declining enrollments.

3. There is a dearth of research about the fiscal problems of school systems which experience change and decline. This is a new development in the history of American public education. There is a need for research in this area to define the problem and to seek plausible solutions. The impact of various school finance formulas on school systems which experience change and decline in enrollments must be determined. Strategies for resolving the fiscal problems which accompany enrollment change and decline at the local, state, and federal levels of government should be explored. Intergovernmental fiscal relationships should be probed, and the administrative structures of state and local school districts should be examined.

4. Policy studies should be conducted to determine what shifts must occur at the local, state, and federal levels to maintain effective, quality educational opportunities, for youngesters in large school systems when the economic and fiscal base of a city is deteriorating.

5. Training programs designed to assist educational administrators in becoming more proficient in the administration of change and decline should be developed after careful research and design.

6. The efficient and effective utilization of school facilities in the face of change and decline in enrollment should be researched.

7. Finally, the development of effective strategies for school public relations in school districts which experience enrollment change and decline should be pursued.

APPENDICES

APPENDIX A

RACIAL/ETHNIC STATISTICS
1968-74

District	Total Enrollment	Whites		Minorities		Blacks		Spanish		Asian	
		Total	%	Total	%	Total	%	Total	%	Total	%
Atlanta											
1968	111,227	42,506	38.2	68,721	61.8	68,662	61.2				
1971	100,316	27,842	27.7	72,474	72.2	72,321	72.1	103	.1		
1972	96,006	21,683	22.5	74,323	77.4	73,985	77.1	272	.3	60	.1
1974	85,298	12,884	15.1	72,414	84.9	72,106	84.5	165	.2	138	.2
Baltimore											
1968	192,171	66,997	34.8	125,174	65.1	125,174	65.1	-0-	-0-	-0-	-0-
1971	190,735	60,737	31.8	129,998	68.2	129,993	68.2	-0-	-0-	-0-	-0-
1972	186,507	57,347	30.7	129,160	69.3	129,160	69.3	-0-	-0-		
1974	182,733	54,104	29.6	128,629	70.4	127,949	70.0	73	.1	425	.2
Boston											
1968	94,174	64,500	68.4	29,674	31.5	25,482	27.1				
1971	96,583	59,390	61.4	37,193	38.5	30,654	31.7	4,660	4.8		
1972	95,615	56,893	59.5	38,722	40.5	31,634	33.1	5,135	5.4	1,857	1.9
1974	87,169	45,624	52.3	41,545	47.7	32,265	37.0	7,019	8.1	2,159	1.4
Buffalo											
1968	72,115	43,942	60.9	28,173	39.1	26,381	36.6				
1971	68,217	38,939	57.1	29,278	42.9	26,953	39.5	1,614	2.4		
1972	64,262	35,823	54.9	28,979	45.1	26,528	41.3	1,826	2.8	92	.1
1974	58,950	30,807	52.2	28,143	47.7	25,528	43.3	1,905	3.2	73	.1

APPENDIX A (continued)

District	Total Enrollment	Whites		Minorities		Blacks		Spanish		Asian	
		Total	%	Total	%	Total	%	Total	%	Total	%
Chicago											
1968	582,274	219,478	37.6	362,796	62.3	308,266	52.9				
1971	568,922			378,010*	66.5	318,902	56.1	59,167	10.4		
1972	557,141	172,992	31.0	384,149	69.0	316,957	56.9	61,556	11.1	4,462	.8
1974	530,188	145,853	27.5	384,335	72.5	309,473	58.4	67,508	12.7	6,295	1.2
Cleveland											
1968	156,054	66,324	42.5	89,730	57.5	87,241	55.9				
1971	148,854	60,136	40.3	88,718	59.6	85,291	57.3	2,895	1.9		
1972	145,196	58,189	40.0	87,007	59.9	83,596	57.6	2,844	2.0	248	.2
1974	132,029	51,977	39.3	80,052	60.6	75,789	57.4	3,492	2.6	344	.3
Dallas											
1968	159,924	97,888	61.2	62,036	38.8	49,235	30.8				
1971	157,799	84,906	53.8	72,893	46.2	57,338	36.3	15,150	9.6		
1972	154,580	78,214	50.5	76,366	49.4	59,638	38.6	15,908	10.3	297	.2
1974	149,510	66,516	44.4	82,995	55.5	63,760	42.6	18,426	12.3	352	.3
Dade County											
1968	232,465	135,598	58.3	96,867	41.7	56,518	24.3				
1971	244,765	137,973	56.3	106,792	43.8	59,351	24.3				
1972	241,809	116,939	48.3	124,870	51.6	63,826	26.4	60,210	24.9	598	.2
1974	244,395	112,077	45.8	132,318	54.0	64,573	26.4	66,858	27.4	698	.2
Denver											
1968	96,577	63,398	65.6	33,179	34.4	13,639	14.1				
1971	94,808	57,147	60.2	37,661	39.7	14,901	15.7	21,726	22.9		
1972	91,616	53,420	58.3	38,196	41.7	15,729	17.2	21,389	23.3	685	.7
1974	79,670	43,311	54.3	36,359	45.6	14,608	18.3	20,541	25.8	693	.9

APPENDIX A (continued)

District	Total Enrollment	Whites		Minorities		Blacks		Spanish		Asian	
		Total	%	Total	%	Total	%	Total	%	Total	%
Detroit											
1968	296,097	117,250	39.6	179,847	60.7	175,316	59.2				
1971	282,076	93,740	33.2	188,336	66.8	183,262	65.2	4,307	1.5		
1972	276,655	89,661	32.4	186,994	67.6	186,994	67.6	4,512	1.6	540	.2
1974	257,396	67,833	26.3	189,563	73.6	184,118	71.5	4,457	1.7	656	.3
Houston											
1968	246,098	131,099	53.2	114,999	46.7	81,966	33.3				
1971	225,681	103,679	45.9	122,002	54.1	85,276	37.8	35,899	15.9		
1972	225,410	98,282	43.6	127,128	56.4	88,871	39.4	37,281	16.5	819	.4
1974	211,574	81,555	38.5	130,019	61.5	88,804	42.0	40,227	19.0	845	.5
Los Angeles											
1968	653,549	350,909	53.6	302,640	46.3	147,738	22.6				
1971	633,951	309,426	48.8	324,525	51.2	157,589	24.9	144,005	22.7		
1972	620,707	293,429	47.2	327,278	52.7	156,684	25.2	148,124	23.9	21,127	3.4
1974	598,314	250,914	41.9	347,400	58.0	147,611	24.7	166,392	27.8	30,775	5.1
Long Beach											
1968	72,065	61,454	85.2	10,611	14.7	5,489					
1971	69,205	58,155	84.0	11,050	15.7	5,813					
1972	63,838			NA		7,100	11.1	4,680	7.3		
1974	62,339	45,996	73.7	16,343	26.2	8,099	13.0	5,714	9.2	2,299	3.7
Memphis											
1968	125,813	58,271	46.3	67,542	53.7	67,395	53.6				
1971	145,903	67,242	46.0	78,661	53.9	78,402	53.7	50	-0-		
1972	128,717	48,311	37.5	80,406	58.0	80,156	57.8	51	.03	171	.1
1974	120,186	36,214	30.1	83,972	69.9	83,972	69.9	-0-	-0-	-0-	-0-

APPENDIX A (continued)

District	Total Enrollment	Whites Total	Whites %	Minorities Total	Minorities %	Blacks Total	Blacks %	Spanish Total	Spanish %	Asian Total	Asian %
Milwaukee											
1968	130,445	95,161	72.9	35,284	27.0	31,130	23.9				
1971	131,815	89,318	67.7	42,497	32.2	36,960	28.0	4,442	3.4		
1972	128,734	85,069	66.0	43,665	33.9	38,113	29.6	4,467	3.5	314	.2
1974	118,474	73,005	61.6	45,469	38.4	39,111	33.0	4,826	4.1	409	.3
Minneapolis											
1968	70,006	62,490	89.2	7,516	10.7	5,255	7.5				
1971	65,201	55,735	85.4	9,466	14.5	6,351	9.7	526	0.8		
1972	61,889	52,076	84.1	9,813	15.9	6,543	10.6	567	0.9	351	.6
1974	56,161	45,439	80.9	10,722	19.1	7,040	12.5	583	1.0	423	.8
New Orleans											
1968	110,783	34,673	31.3	76,110	68.7	74,378	67.1				
1971	108,969	29,064	26.6	79,905	73.3	77,538	71.4				
1972	103,839					77,504	74.6	1,622	1.6		
1974	93,927	18,013	19.1	75,914	80.8	74,233	79.0	1,457	1.6	186	.2
New York											
1968	1,063,787	467,365	43.9	596,422	56.1	334,841	31.5				
1971	1,151,715			703,902*		402,825	35.0	304,927	26.5		
1972	1,125,449	400,495	35.5	724,954	64.4	405,177	36.0	298,903	26.6	20,474	1.8
1974	1,103,406	379,068	34.3	724,338	65.6	403,471	36.6	298,320	27.0	22,030	2.0
Oakland											
1968	64,102	19,835	30.9	44,267	69.1	35,386	55.2				
1971	67,323	17,955	26.6	49,368	73.3	39,102	58.1	5,267	7.8		
1972	63,401	15,862	25.0	47,539	75.0	38,153	60.2	5,051	8.0	3,724	5.9
1974	61,559	13,398	21.7	48,161	78.2	38,664	62.8	5,177	8.4	3,744	6.1

APPENDIX A (continued)

	Total	Whites		Minorities		Blacks		Spanish		Asian	
District	Enrollment	Total	%	Total	%	Total	%	Total	%	Total	%
Philadelphia											
1968	282,617	109,512	38.7	173,105	61.3	166,083	58.8				
1971	273,458	95,960	35.0	177,498*		167,334	61.2	9,522	3.5		
1972	282,965	99,618	35.2	183,347	64.8	173,874	61.4	9,473	3.3		
1974	266,500	88,480	33.2	178,020	66.8	164,558	61.7	12,557	4.7	750	.3
Pittsburgh											
1968	76,268	46,005	60.3	30,263	39.7	29,898	39.2				
1971	71,502	41,877	58.5	29,625	41.4	29,357	41.1	87	0.1		
1972	70,050	40,903	58.0	29,597	42.3	29,275	41.8	120	0.2	190	.3
1974	66,106	37,419	56.6	28,687	43.4	28,425	43.0	94	0.1	159	.3
Portland											
1968	78,413	70,156	89.4	8,257	10.5	6,388	8.1				
1971	72,694	63,328	87.1	9,366	12.9	7,103	9.8	743	1.0		
1972	68,613	59,029	86.0	9,584	14.0	7,307	10.6	784	1.1	1,030	1.5
1974	63,514	53,589	84.3	9,925	15.6	7,529	11.9	757	1.2	1,119	1.8
St. Louis											
1968	115,582	41,812	36.1	73,770	63.8	73,408	63.5				
1971	107,886	34,385	31.8	73,601	68.2	73,149	67.7	4	0.0		
1972	105,617	32,632	30.8	72,985	69.1	72,629	68.8	203	0.2	99	.1
1974	93,320	27,626	29.6	65,694	70.4	65,252	70.0	208	0.3	117	.1
San Diego											
1968	128,914	98,163	76.1	30,751	23.9	15,004	11.6				
1971	128,327	96,081	74.8	32,246	25.1	16,409	12.8	13,379	10.4		
1972	124,604	91,814	73.6	32,790	26.3	16,503	13.2	14,069	11.3	1,998	1.6
1974	123,114	85,823	69.7	37,291	30.3	16,884	13.7	14,773	12.0	2,187	1.8

APPENDIX A (continued)

District	Total Enrollment	Whites		Minorities		Blacks		Spanish		Asian	
		Total	%	Total	%	Total	%	Total	%	Total	%
San Francisco											
1968	94,154	38,824	41.2	55,330	58.8	25,923	27.5				
1971	83,584	28,342	33.9	55,242	66.1	25,408	30.4	11,522	13.8		
1972	81,970	26,067	31.8	55,903	68.2	25,056	30.6	11,508	14.0	19,088	23.3
1974	67,719	20,878	30.8	46,841	69.2	22,319	33.0	10,604	15.7	13,638	20.1
Toledo											
1968	61,684	43,658	70.7	18,026	29.2	16,473	26.7				
1971	62,597	43,574	69.6	19,023	30.4	17,052	27.2				
1972	61,694					16,816	27.3	1,950	3.2		
1974	59,049	39,181	66.3	19,868	33.6	17,521	29.7	2,126	3.6	162	.3
Washington, D.C.											
1968	148,725	8,280	6	140,445	94.4	139,006	93.5				
1971	141,806	5,450	4	136,356	96.2	135,068	95.2	749	.5		
1972	140,000	4,929	4	135,071	96.5	133,637	95.5	818	.6	598	.4
1974	130,807	4,288	3	126,519	96.7	124,956	95.5	954	.8	584	.4

*1970 School Year

APPENDIX B

RANK OF LARGE CITY PUBLIC SCHOOL SYSTEMS ACCORDING TO PERCENTAGE OF ENROLLMENT DECLINE IN ELEMENTARY AND SECONDARY SCHOOLS FROM THE PEAK ENROLLMENT YEAR: 1968, 1969 OR 1970 TO 1975

School System	Rank	Peak Enrollment Year During 1968-75	Enrollment Decline (In 000's)	Percent Decline
St. Louis	1	1968	29	24.7
San Francisco	2	1968	23	24.5
Atlanta	3	1968	27	24.2
Minneapolis	4	1968	16	23.2
Denver	5	1970	21	21.8
Buffalo	6	1968	15	21.1
Portland	7	1968	10	20.9
Memphis	8	1970	30	20.3
Boston	9	1969	19	19.9
Oakland	10	1970	13	19.3
Cleveland	11	1968	29	18.5
Long Beach	12	1968	13	17.8
Pittsburgh	13	1968	13	16.8
Detroit	14	1968	49	16.6
Nashville	15	1969	16	16.2
Dallas	16	1970	28	13.7
New Orleans	17	1968	15	13.6
Milwaukee	18	1969	17	12.6
Washington	19	1969	18	12.2
Baltimore	20	1969	22	11.2
Toledo	21	1969	6	9.6
Chicago	22	1968	52	9.0
Philadelphia	23	1969	21	7.3
Los Angeles	24	1969	45	6.8
San Diego	25	1969	8	5.8
New York City	26	1970	37	3.2
Dade County	27	1969	2	0.9

APPENDIX B (continued)

COMPARISON OF ENROLLMENT DECLINE IN CITY SCHOOL SYSTEMS WITH THEIR RESPECTIVE STATE SCHOOL SYSTEMS

Data for Cities: Enrollment Year:	From Peak 1968, 1969, 1970 to 1975	Data for States: 1970-75

City/State	(In 000's)		% Decline	
	City	State	City	State
Atlanta, Ga.	27	27	24.2	2.5
Baltimore, Md.	22	29	11.2	3.2
Boston, Ma.	19	+ 32	19.9	+ 2.7
Buffalo, N.Y.	15	66	21.1	1.9
Chicago, Ill.	52	79	9.0	3.4
Cleveland, Ohio	29	112	18.5	4.6
Dade County, Fla.	2	+116	0.9	+ 8.1
Dallas, Tx.	28	78	13.7	2.7
Denver, Col.	21	13	21.8	2.4
Detroit, Mich.	49	60	16.6	2.8
Long Beach, Cal.	13	239	17.8	5.2
Los Angeles, Cal.	45	239	6.8	5.2
Memphis, Tenn.	30	35	20.3	3.9
Milwaukee, Wis.	17	26	12.6	2.6
Minneapolis, Minn.	16	37	23.2	4.0
Nashville, Tenn.	16	35	16.2	3.9
New Orleans, La.	15	9	13.6	1.1
New York City, N.Y.	37	66	3.2	1.9
Oakland, Cal.	13	239	19.3	5.2
Philadelphia, Pa.	21	97	7.3	4.1
Pittsburgh, Pa.	13	97	16.8	4.1
Portland, Ore.	16	7	20.9	1.5
St. Louis, Mo.	29	46	24.7	4.4
San Diego, Cal.	8	239	5.8	5.2
San Francisco, Cal.	23	239	24.5	5.2
Toledo, Ohio	6	112	9.6	4.6
Washington, D.C.	18	(18)	12.2	(12.2)

APPENDIX B (continued)

PUBLIC ELEMENTARY AND SECONDARY SCHOOL ENROLLMENT DECLINE IN STATES AND COUNCIL MEMBER CITIES, RANKED BY NUMERICAL ENROLLMENT DECLINE

Time Period

States : From 1970-75
Cities : From peak enrollment year, 1968, 1969, or 1970-75

Note: Enrollment decline in many of the large cities exceeded that in most states for the period 1970-75

States and Council Cities, Ranked by Enrollment Decline (In 000's)	Rank	(In 000's)	Percent Decline
California	1	239	5.2
Ohio	2	112	4.6
Pennsylvania	3	97	4.1
Illinois	4	79	3.4
Texas	5	78	2.7
Kansas	6	66	12.9
New York	7	66	1.9
Michigan	8	60	2.8
Indiana	9	55	4.5
Chicago	10	52	9.0
Detroit	11	49	16.6
Alabama	12	48	6.0
Missouri	13	46	4.4
Los Angeles	14	45	6.8
Iowa	15	44	6.6
Washington	16	39	4.7
Minnesota	17	37	4.0
New York City	18	37	3.2
Oklahoma	19	36	5.7
Tennessee	20	35	3.9
Memphis	21	30	20.3
Maryland	22	29	3.2
Cleveland	23	29	18.5
St. Louis	24	29	24.7
Dallas	25	28	13.7
Georgia	26	27	2.5
Atlanta	27	27	24.2
Wisconsin	28	26	2.6
Mississippi	29	25	4.7
New Jersey	30	24	1.6
North Carolina	31	23	1.9
San Francisco	32	23	24.5

APPENDIX B (continued)

States and Council Cities, Ranked by Enrollment Decline (In 000's)	Rank	(In 000's)	Percent Decline
Kentucky	33	22	3.1
Baltimore	34	22	11.2
Denver	35	21	21.8
Philadelphia	36	21	7.3
Boston	37	19	19.9
Washington, D.C.	38	18	12.2
Milwaukee	39	17	12.6
South Carolina	40	16	2.5
Minneapolis	41	16	23.2
Nashville	42	16	16.2
North Dakota	43	15	10.2
Buffalo	44	15	21.1
New Orleans	45	15	13.6
South Dakota	46	13	7.8
Oakland	47	13	19.3
Long Beach	48	13	17.8
Pittsburgh	49	13	16.8
Arkansas	50	12	2.7
Rhode Island	51	11	5.9
Portland	52	10	20.9
Louisiana	53	9	1.1
San Diego	54	8	5.8
Oregon	55	7	1.5
Connecticut	56	7	1.1
Montana	57	6	3.4
Hawaii	58	6	3.3
Toledo	59	6	9.6
Delaware	60	4	3.0
Wyoming	61	2	2.3
Dade County (Miami)	62	2	0.9
New Mexico	63	1	0.4
West Virginia	64	+ 1	+ 0.3
Vermont	65	+ 1	+ 1.0
Maine	64	+ 3	+ 1.2
Idaho	67	+ 4	+ 2.2
Virginia	68	+ 5	+ .5
Alaska	69	+ 6	+ 7.5
New Hampshire	71	+12	+ 7.5
Nevada	70	+ 8	+ 6.3
Colorado	72	+13	+ 2.4
Massachusetts	73	+32	+ 2.7
Arizona	74	+43	+ 9.8
Florida	75	+116	+ 8.1

CHAPTER V

AN ANALYSIS OF STATE SCHOOL FINANCE SYSTEMS AS RELATED TO DECLINING ENROLLMENTS

Jack Leppert
Dorothy Routh

INTRODUCTION

This chapter provides an overview of significant elements of state finance systems in 1975, and attempts to determine how school districts with declining enrollments will be affected by these state aid systems.

First, we determined statewide declines between 1970 and 1975. It can be assumed that some districts in all states have increased in enrollment while others have declined, but the statewide decline data identifies states which have a critical number of districts experiencing declining enrollments, and where state aid systems most need review.

Second, we identified, categorized, and summarized state funding formula mechanisms which serve to ameliorate the adverse effects of declining enrollments.

Looking beyond these special provisions which serve primarily to postpone the impact of decline, we have conducted a state-by-state analysis of four other variables related to state aid distribution and declining enrollments:

1. The primary unit funded

2. The establishment of the value of that unit

3. The extent of funding of categorical programs not related to student enrollments, and

4. The significance of the share of state and local support on declining enrollment districts

Finally, a concluding section summarizes our findings and their significance for state policymakers in undertaking the management of decline.

This chapter is not intended to provide details about all aspects of the fifty states' funding mechanisms, but is rather an effort to isolate and discuss those factors of most significance to the declining enrollment situation. Two very useful reports with a different scope, but from which much information contained in this study was gleaned, have been recently published. The first, a chart of the states entitled *School Finance at a Glance*, summarizes the key elements of state school funding mechanisms. It was developed by Dr. Marshall Harris of the Education Commission of the States. The second report, *Public School Finance Programs, 1974-75*, was produced under the guidance of Ms. Ester Tron of the Bureau of School Systems of the U.S. Office of Education. We thank these persons for letting us use their work as a valuable source for this analysis.

THE PROBLEM AND NATURE OF DECLINE

According to the U.S. Office of Education National Center for Educational Statistics, the nation's schools lost a total enrollment of 1,203,000 students between 1970 and 1975, a decline of less than 3 percent nationwide. Birth rate projections indicate a much greater decline yet to come. Goettel and Firestine report that "In the mid-1970s, enrollments will continue to lose .5 to 1.1 million pupils each year for the remainder of the decade."[1] Educators, accustomed to the management of growth and long riding the crest of yesteryear's baby boom, have been trying to adjust to this new reality. Concurrently, there has been considerable reform of state school finance systems in recent years, but few state systems have reviewed funding formulas in relationship to enrollment declines.

Approximately three-fourths of the states (37 states) have experienced enrollment declines since 1970 as indicated by Table 5.1. California alone has lost 239,000 students since 1970; Ohio, 112,000. To obtain an indicator of the impact of the decline, the absolute

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[1] Robert J. Goettel and Robert E. Firestine, "Declining Enrollments and State Aid: Another Equity and Efficiency Problem," *Journal of Education Finance* 1 (Fall 1975): 205.

TABLE 5.1

DECLINING ENROLLMENTS OF STATE SCHOOL SYSTEMS 1970 TO 1975

	In Thousands	% Decline from 1970 Enrollments
Alabama	48	6.0
Arkansas	12	2.7
California	239	5.2
Connecticut	7	1.1
Delaware	4	3.0
Georgia	27	2.5
Hawaii	6	3.3
Illinois	79	3.4
Indiana	55	4.5
Iowa	44	6.6
Kansas	66	12.9
Kentucky	22	3.1
Louisiana	9	1.1
Maryland	29	3.2
Michigan	60	2.8
Minnesota	37	4.0
Mississippi	25	4.7
Missouri	46	4.4
Montana	6	3.4
Nebraska	13	4.0
New Jersey	24	1.6
New Mexico	1	.4
New York	66	1.9
North Carolina	23	1.9
North Dakota	15	10.2
Ohio	112	4.6
Oklahoma	36	5.7
Oregon	7	1.5
Pennsylvania	97	4.1
Rhode Island	11	5.9
South Carolina	16	2.5
South Dakota	13	7.8
Tennessee	35	3.9
Texas	78	2.7
Utah	0	0.0
Washington	39	4.7
Wisconsin	26	2.6
Wyoming	2	2.3

SOURCE: U.S. Department of Health, Education and Welfare, National Center for Education Statistics, *The Condition of Education*, 1976.

numbers were adjusted to a percent of 1970 enrollments. Sixteen states have lost at least 4 percent of their students, with Kansas losing approximately 13 percent and North Dakota 10 percent.

Twelve states, by contrast, have experienced increasing enrollments during the past five years (Table 5.2), with Arizona (+9.8) and Florida (+8.1) leading the list. However, the major trend in the states is enrollment loss. The management of education during this decline is now, and will increasingly become, a critical issue.

State educational and legislative policymakers face continuous pressures to relieve the adverse effects of what, in many states, is a loss of income significantly greater than the savings associated with fewer students. During a period of enrollment growth, state funds which increased could be used to pay salary increases to experienced teachers and to employ less costly new teachers. Average teacher salary expenditures grew only moderately. When enrollments are growing, opportunities often exist to add students to a classroom, add portables to a school site, or add schools to a system while affecting a percentage reduction in administrative, custodial, transportation and utility costs on a per-pupil basis. When enrollments decline, however, usually the least-tenured personnel on low salaries are laid off, leaving a greater proportion of high-salaried and -tenured teachers in the system. Administrative personnel costs, which increased to manage growth, become difficult to maintain and are likely to be reduced through layoffs and salary reductions. Entire schools may be closed down. Elected school boards are faced with community discord among parents, business people, and employee groups when they contemplate dismembering programs and laying off a quality staff which may be the pride of a community.

Although the problem of managing decline is felt most keenly at the district level, state funding mechanisms impact directly on the options available to local districts. Some states have developed specific provisions to assist local districts. These are discussed in the following section.

STATE PROVISIONS RELATED TO DECLINE

It appears that thirty states have incorporated into their body of school finance law one or more provisions which will tend to lessen the adverse economic impact accompanying a school district's student enrollment loss. Table 5.3 illustrates these various approaches and relates them to decline. These approaches by the states can be placed in the following four basic categories:

1. The State Aid Guarantee: Eight states guarantee that, regardless of enrollments, each district will receive in a current year an amount of state basic aid related to that

TABLE 5.2

INCREASING ENROLLMENTS OF STATE SCHOOL SYSTEMS 1970 TO 1975

	In Thousands	% Increase Since 1970
Alaska	6	7.5
Arizona	43	9.8
Colorado	13	2.4
Florida	116	8.1
Idaho	4	2.2
Maine	3	1.2
Massachusetts	32	2.7
Nevada	8	6.3
New Hampshire	12	7.5
Vermont	1	1.0
Virginia	5	.5
West Virginia	1	.3

SOURCE: U.S. Department of Health, Education and Welfare, National Center for Education Statistics, *The Condition of Education*, 1976.

which it received in a prior year. This generalized type of "no loss" clause is incorporated in one form or another in the following states:

a. Arkansas guarantees each district 90 percent of the state aid received in the prior year regardless of enrollment drop.

b. Florida guarantees each district 100 percent of the prior year's formula aid, a clause intended only to facilitate an equalization program.

c. Minnesota guarantees 100 percent of the amount of state aid received in fiscal year 1972-73, in addition to a percentage decline cushion.

d. Nevada guarantees the previous year's total aid.

e. New Jersey guarantees 80 percent of the state aid per district in 1974-75.

f. New York guarantees 100 percent of the amount of state aid received in fiscal year 1974-75.

TABLE 5.3

STATE SCHOOL FUNDING LAW PROVISIONS WHICH ASSIST DECLINING ENROLLMENT DISTRICTS

State	State Aid Guarantee	Prior Year Count		Average of Two or Three Yrs.	Percentage of Decline Funded	Possess Provisions	1970-75 Decline
		Required	Optional				
Alabama			Yes			*	Yes
Alaska							
Arizona			Yes			*	
Arkansas	Yes					*	Yes
California					Yes	*	Yes
Colorado			Yes	Yes		*	
Connecticut		Yes				*	Yes
Delaware							Yes
Florida	Yes					*	
Georgia							Yes
Hawaii							Yes
Idaho			Yes			*	
Illinois		Yes				*	Yes
Indiana			Yes			*	Yes
Iowa					Yes	*	Yes
Kansas			Yes			*	Yes
Kentucky					Yes	*	Yes
Louisana							Yes
Maine							
Maryland		Yes				*	Yes
Massachusetts							
Michigan					Yes	*	Yes
Minnesota	Yes				Yes	*	Yes
Mississippi					Yes	*	Yes
Missouri		Yes				*	Yes
Montana			Yes			*	Yes
Nebraska							Yes
Nevada	Yes					*	
New Hampshire		Yes				*	
New Jersey	Yes					*	Yes
New Mexico							Yes
New York	Yes	Yes				*	Yes
North Carolina							Yes
North Dakota				Yes		*	Yes
Ohio				Yes		*	Yes
Oklahoma							Yes
Oregon	Yes					*	Yes
Pennsylvania							Yes
Rhode Island							Yes
South Carolina			Yes			*	Yes
South Dakota							Yes
Tennessee							Yes
Texas							Yes
Utah							
Vermont							
Virginia	Yes					*	
Washington							Yes
West Virginia							
Wisconsin					Yes	*	Yes
Wyoming					Yes	*	Yes

g. Oregon guarantees 75 percent of the flat grant portion of the state formula.

h. Virginia guarantees 100 percent of the state aid in any previous year.

2. The Prior Year Student Count: While several states (Connecticut, Illinois, Maryland, Missouri, New Hampshire, New York) *require* the use of the student count of prior years as a basis for unit establishment (which would have an ameliorating effect during a period of student loss), other states have specifically provided for the *optional* use of the prior year counts as a declining enrollment relief mechanism. These states are:

   a. Alabama, where the number of teacher units generated by the prior year counts are guaranteed.

   b. Arizona

   c. Colorado, which also has a 3 year average option

   d. Indiana

   e. Idaho, to the extent the decline exceeds 3 percent

   f. Kansas, if decline exceeds 5, 7.5, or 10 percent in large, medium, or small districts, respectively

   g. Montana, and

   h. South Carolina, only in calculating administrative costs

3. The Multi-Year Average: The following states have averaging options:

   a. Colorado, where the last 3 years' average may be used

   b. North Dakota, where the past 2 years may be averaged, and

   c. Ohio, where membership over the last 3 years may be averaged

4. The Lost Student Percentage Guarantee: Eight states provide options where some percentage of the number of lost students may be included in the count for the year of decline. They are:

   a. California, where 75 percent of the student decline may still be counted to allow for higher local revenue allowances (no state aid involved)

   b. Iowa, where 50 percent of the first 5 percent and 25 percent of the decline in excess of 5 percent are still counted

   c. Kentucky, where a loss in excess of 3 percent may be aided

   d. Michigan, where a loss below the state average may be aided

   e. Minnesota, where 60 percent of the decline is still counted

   f. Mississippi, where 95 percent of prior years units are assured

   f. Wisconsin, where 50 percent of decline is funded, and

   g. Wyoming, where a district loss of 100 ADM or 10 percent may be aided

In each of the above states, the process and extent of protection is likely to be scrutinized each time the legislative budget is drawn. If the cost of protecting declining enrollment districts is large, or if they are not strong politically, competing forces for educational dollars can be expected to argue strongly for other uses for limited resources. For the time being, though, it appears that two ways to provide a relatively higher per-student support level in declining enrollment districts are most popular.

The first, represented by the eight states in Section 1, is the dollar guarantee. While inflation and other factors result in increasing expenditures per unit, even the 100 percent guarantee states do not provide sufficient funds to maintain a district's purchasing power. These states demonstrate a paternalism toward the school districts by acknowledging the desires of policymakers to guarantee some fixed sum upon which administrators can rely. Knowing how much you will have is considered by many administrators more important than how much you have, if the goal is to operate a well-planned and properly staffed program.

This same administrative concept applies to the fourteen Section 2 states. These states guarantee a known student count floor upon which to plan. They are distinguished from dollar guarantee states, however, in that the amount of support per student has some likelihood of increasing each time the legislature meets. Another significant operational difference is that in dollar guarantee states, the floor lasts for years, while in student guarantee states, the count guarantee lasts a short time and districts must confront the realities of those losses in subsequent years.

Section 3 states, which provide a two or three year student count averaging system, differ from the above only in that drastic student losses and accompanying program and staffing adjustments may be confronted more gradually.

The last group of seven states, while operating unique adjustment approaches, are similar since the extent of their aid from their declining enrollment provision is determinable as a percentage of prior years student enrollment. The legislatures in all these states apparently intend that local districts make some downward expenditure decisions without delay as student enrollment declines occur, because only a portion of the loss is aided.

It is noteworthy that fourteen of the thirty-seven states with declining statewide enrollments have no provision for alternative funding plans.

The full significance of the current options must ultimately be assessed on a district basis. Further information is needed about what types of districts benefit. Because these provisions treat high- and low-wealth districts the same, their impact on state equalization efforts should be studied further. A basic question of equity could be raised about the provisions' funding students in a declining district at a higher rate per student than in a nondeclining district. These issues clearly need further analysis before judgments can be made about the efficacy of these various provisions. In addition to reviewing these special mitigating provisions, it is important to look at the basic state formula elements themselves as, often inadvertently, they impact on districts with declining enrollments.

STATE FUNDING MECHANISMS: THE PRIMARY UNIT AND PROGRAM CATEGORICALS

The various methods by which states distribute dollars to local educational agencies (LEAs) must be analyzed to assess what impact they may have during a period of declining enrollment. What methods may cause a loss of state funds to local school districts and what methods may assist these districts?

The analysis will initially focus on the funding of primary units and the methods used to establish the values of these units (see Table 5.4). Then the funding of categoricals will be examined in relationship to enrollment declines.

The Primary Unit

Most states distribute the mass of their aid to districts on the basis of some measurable unit of need. The details of school finance systems in the states at first may appear to be very complex and to vary widely, but usually each distributes the majority of its funds according to a primary unit. This major allocation or primary unit funded in the states may be the student, the teacher, or the classroom.

The Student or Weighted Pupil Approach

The primary unit in thirty-three states is based directly on a count of students, either by enrollment or attendance. There are a variety of ways by which this count is accomplished, some weighted by grade level or program, some weighted by varying values due to other factors, but in all cases state aid is directly related to the number of students. Twenty-three of these states have experienced declines during the five years ending in 1975. Thus, the districts with declining enrollments in these states will have experienced a loss in state aid each year in direct relationship to their student loss unless such ameliorating provisions as discussed above have been established. The fourteen states with such provisions are identified in Table 5.5, which relates primary units, enrollment declines, and decline provisions.

The Teacher Unit

The primary unit in eleven states is the teacher unit. In these states a ratio of students to teachers is established by the legislature, which underwrites all or a significant portion of the teacher's salary based usually on a training and experience factor. Ten of these states are experiencing declines. Four of these have a decline provision.

The Classroom Unit

An expanded form of the teacher unit is the classroom unit, funded by six states. This unit is based on an established student to classroom ratio. In this form, a fixed dollar amount, sufficient to cover a range of related classroom support costs including the teacher's salary, is given or guaranteed to the school district. Four states using this unit are experiencing decline, two of which have provisions related to decline.

TABLE 5.4

UNITS FUNDED AND VALUATION SYSTEMS

STATE	UNITS			VALUE ESTABLISHED			
	Student	Teacher	Class-room	Teacher T & E	Program or Level	Cost Reimbursement	Legislative Grant
Alabama		*		*			
Alaska			*	*			
Arizona			*		*		
Arkansas		*		*			
California	*				*		
Colorado	*						
Connecticut	*						*
Delaware		*		*			
Florida	*				*		
Georgia		*		*			
Hawaii			*			*	
Idaho	*				*		
Illinois	*				*		
Indiana	*			*			
Iowa	*						*
Kansas	*						
Kentucky			*	*			
Louisiana		*		*			
Maine	*					*	
Maryland	*						*
Massachusetts	*				*		
Michigan	*						
Minnesota	*						
Mississippi		*		*			
Missouri	*				*		
Montana	*				*		
Nebraska	*				*	*	
Nevada	*						
New Hampshire	*						*
New Jersey	*						
New Mexico	*			*			
New York	*						
North Carolina		*		*			
North Dakota	6						
Ohio	*						
Oklahoma	*				*		
Oregon	*				*		
Pennsylvania	*				*		
Rhode Island	*					*	
South Carolina		*		*			
South Dakota			*				
Tennessee		*		*			
Texas		*		*			*
Utah	*			*			
Vermont	*						
Virginia	*						
Washington	*			*			
West Virginia		*		*			
Wisconsin*							
Wyoming			*				
Totals	33	11	6	17	12	4	5

TABLE 5.5

RELATIONSHIP BETWEEN UNITS FUNDED, ENROLLMENT DECLINES AND PROVISIONS

State	Unit Funded	Declining Enrollment Provision	Declining Enrollment 1970-1975
Alabama	Teacher	Yes	Yes
Alaska	Classroom		
Arizona	Classroom	Yes	
Arkansas	Teacher	Yes	Yes
California	Student	Yes	Yes
Colorado	Student	Yes	
Connecticut	Student	Yes	Yes
Delaware	Teacher		Yes
Florida	Student	Yes	
Georgia	Teacher	Yes	
Hawaii	Classroom		Yes
Idaho	Student	Yes	
Illinois	Student	Yes	Yes
Indiana	Student	Yes	Yes
Iowa	Student	Yes	Yes
Kansas	Student	Yes	Yes
Kentuckey	Classroom	Yes	Yes
Louisisana	Teacher		Yes
Maine	Student		
Maryland	Student	Yes	Yes
Massachusetts	Student		
Michigan	Student	Yes	Yes
Minnesota	Student	Yes	Yes
Mississippi	Teacher	Yes	Yes
Missouri	Student	Yes	Yes
Montana	Student	Yes	Yes
Nebraska	Student		Yes
Nevada	Student	Yes	
New Hampshire	Student	Yes	
New Jersey	Student	Yes	Yes
New Mexico	Student		Yes
New York	Student	Yes	Yes
North Carolina	Teacher		Yes
North Dakota	Student	Yes	Yes
Ohio	Student	Yes	Yes
Oklahoma	Student		Yes
Oregon	Student	Yes	Yes
Pennsylvania	Student		Yes
Rhode Island	Student		Yes
South Carolina	Teacher	Yes	Yes
South Dakota	Classroom		Yes
Tennessee	Teacher		Yes
Texas	Teacher		Yes
Utah	Student		
Vermont	Student		
Virginia	Student	Yes	
Washington	Student		Yes
West Virginia	Teacher		
Wisconsin	Student	Yes	Yes
Wyoming	Classroom	Yes	Yes

Each of these three unit types is either directly or indirectly related to student count. Consequently, as enrollments decline a local district's state aid diminishes. There are, however, some educational/political decisions that could alter this situation. Where budget analysts or legislators can relate expenditures most directly to student count, it can be expected that arguments for proportional reductions in state aid will be presented and win support. Where formulas are more complex, for example, if units and values are determined through calculations involving such educational criteria as student-teacher ratios and variable program cost weights, advocates will be in a better position to argue for sustained or increased state support to improve services.

Establishment of Values

Of equal significance to the identification of units is an examination of the methods used to determine the values or weights of the units funded (Table 5.4).

The Teacher Training and Experience Factor

Seventeen states establish the value of the unit according to the differentiated training and experience levels of the district's staff. Fourteen of these states fund according to teacher or classroom units, as would be anticipated. However, three states, New Mexico, Utah, and Washington, use the teacher training and experience (T&E) factor in their weighted pupil systems.

Although these seventeen states vary in accordance with the unit funded, it is of significance for the declining enrollment problem that the legislatures in these states have committed themselves to underwriting teacher salaries. As student enrollments decline, average teacher salaries will increase because the more experienced, tenured, and thus more highly-paid teachers will be retained. Such a system will be more costly on a per-pupil basis to the legislature, but this practice will be relatively beneficial to local districts in meeting the higher per-unit costs which accompany declining enrollments.

The Program or Grade Level Approach

Twelve states establish the value of their primary unit based on the differential costs of various programs such as vocational, special education, compensatory services and/or grade levels. Since this approach relates funding directly to student count, districts will lose state dollars in proportion to their enrollment decline, yet program costs will not diminish in direct proportion to student loss.

Cost Reimbursements

Three states (four counting Hawaii) simply reimburse local districts on a percentage basis of costs incurred in providing educational services during the year. While the states may experience increased costs per unit in a declining enrollment situation, local districts will not experience a loss of state revenues in relationship to a loss in student enrollment unless their costs (expenditures) also decrease.

Legislative Grants

Another method of distributing state funds is on a flat, non-formula, grant basis. The legislatures in five states either solely or partially support local districts by allocating a fixed dollar amount per student. Therefore, when enrollments decline, the district's state funds will diminish in direct proportion to student loss.

Thirty-six states are classified according to the four approaches outlined above. The other fourteen states arrive at the unit value by legislative judgment based primarily on the availability of funds, rather than allowing a formula to influence the appropriation level. In most of these states, this judgment is expressed in the form of a local tax or yield guarantee or is not directly related to declining enrollment issues.

Categorical Programs

A common practice of legislative appropriating bodies is to direct funds to specific functions or projects in addition to general aid. These additional grants are called categoricals. While comprising a smaller percentage of state aid, categoricals are growing in popularity and amount. They are usually of five types: (1) direct instructional support such as handicapped, vocational, early childhood, and career education programs; (2) special projects such as research, media services, or regional or subject matter supervision; (3) transportation services; (4) capital outlay support; and (5) support of personnel retirement systems.

These categoricals are usually funded through two methods. The first is to generate funds to districts for these categorical purposes based on student count. The second is by a flat grant theoretically sufficient to fund all or a portion of the service without direct regard to student population, based on a fixed amount per function as determined by past experience, cost projections, or legislative priorities. Thus, states have student-driven, and/or non-student-driven, or fixed-cost categoricals. The extent to which states use these options has a direct impact on district revenues.

In a growth situation it was advantageous to relate as many categoricals as possible directly to student count and that has been the trend. In a declining enrollment situation, however, the opposite is true. Table 5.6 shows to what extent non-student-driven, or fixed-cost categoricals are used or not used by the states. Sixteen states have no fixed-cost categoricals. Only three states (Delaware, New Jersey, and Maryland) have over 25 percent of their state allocations distributed according to fixed-cost categoricals.

The special categorical of transportation varies in relationship both to the count of students transported and the related cost of transportation for that district. Almost all states fund or reimburse districts for all or a portion of transportation costs. Perhaps as a consequence of the growth trend, most capital support programs are related to student count. Only fourteen states have non-student count-driven building and maintenance support funding mechanisms.

If certain categoricals are viewed as providing for state priorities and functions, then a fixed-cost support mechanism, rather than a student count-driven mechanism, assures program maintenance during enrollment declines. Table 5.7 indicates that numerous states have done this. Career education has been "protected" by six states; TV/media/library programs by seven states; cooperative educational services by six states; early childhood programs by six states; and teacher retirement systems by eight states. Among such categoricals, superintendents' salaries are included in three states, and community food preservation units by another state. While the relating of categoricals to students has been useful during a growth period, the purpose and functions of categoricals becomes problematic in a declining enrollment situation. Some states may wish to switch to fixed-cost grants to prevent districts from cutting selected programs, while other states may wish to convert existent fixed-cost categoricals to student count-driven grants to prevent overfunding or to force districts to establish local spending priorities.

THE SIGNIFICANCE OF THE SHARE OF STATE AND LOCAL SUPPORT IN A DECLINING ENROLLMENT SITUATION

The greater the state share of revenue for schools, the more dependent the local district is upon the state funding mechanism for maintaining its program. Table 5.8 displays the state percent or share of non-federal revenue receipts for the support of schools. In one-half of the states, the state share is over 50 percent, with eight states providing over 65 percent of the share. Of these twenty-five states, twenty have experienced decline from 1970 to 1975 (see Table 5.8). Twelve of these states have no direct declining enrollment provision, but all but two of these base their formulas on teacher training

TABLE 5.6

PERCENTAGE OF STATE APPROPRIATIONS FOR TOTAL NON-STUDENT DRIVEN CATEGORICALS AND TRANSPORTATION

State	Non-Student Driven Categoricals	Transportation
Alabama	8.1	5.3
Alaska	16.8	5.0
Arizona	.9	1.6
Arkansas	15.1	7.7
California	6.5	2.0
Colorado	1.1	3.7
Connecticut	9.8	3.7
Delaware	26.6	5.7
Florida	8.1	3.2
Georgia	8.7	5.2
Hawaii	--	2.5
Idaho	--	5.6
Illinois	10.2	1.7
Indiana	--	3.7
Iowa	--	13.5
Kansas	--	5.9
Kentucky	--	7.0
Louisiana	6.8	9.4
Maine	--	12.4
Maryland	34.9	8.4
Massachusetts	15.7	4.7
Michigan	.6	5.6
Minnesota	.1	7.4
Mississippi	1.0	7.8
Missouri	--	6.3
Montana	--	1.7
Nebraska	3.7	2.5
Nevada	--	4.9
New Hampshire	--	--
New Jersey	26.1	5.6
New Mexico	5.7	6.1
New York	12.2	7.3
North Carolina	.1	.8
North Dakota	--	8.6
Ohio	.4	5.8
Oklahoma	1.3	6.0
Oregon	1.3	5.7
Pennsylvania	.7	5.3
Rhode Island	7.8	--
South Carolina	.7	6.2
South Dakota	--	13.6
Tennessee	--	4.0
Texas	--	2.9
Utah	20.0	3.3
Vermont	9.7	--
Virginia	10.5	2.9
Washington	8.4	4.1
West Virginia	5.9	3.0
Wisconsin	--	2.6
Wyoming	--	11.9

TABLE 5.7

Non-Student Count Driven Categoricals by Predominant Categories

State	Retirement Systems	Capital Support	Career Education	TV/Media /Library Programs	Co-Op Educa. Serv.	Early Childhd. Programs	Community School Programs	Vocational Education
Alabama						•		•
Alaska		•						
Arizona								•
Arkansas		•		•		•		
California	•		•	•		•		
Colorado			•		•			
Connecticut		•		•				•
Delaware	•	•						
Florida		•	•				•	
Georgia	•			•	•			•
Hawaii								
Idaho								
Illinois	•							
Indiana								
Iowa								
Kansas								
Kentucky								
Louisiana	•		•			•		
Maine								
Maryland	•	•				•		
Massachusetts		•			•			
Michigan							•	
Minnesota								
Mississippi								
Missouri								
Montana								
Nebraska								
Nevada								
New Hampshire								
New Jersey	•	•		•		•		•
New Mexico		•						
New York		•			•			
North Carolina				•				
North Dakota								
Ohio			•	•				
Oklahoma		•				•		
Oregon								
Pennsylvania					•			
Rhode Island		•						
South Carolina						•		
South Dakota								
Tennessee								
Texas								
Utah	•		•	•	•	•	•	•
Vermont		•						
Virginia	•			•				•
Washington		•						
West Virginia								
Wisconsin								
Wyoming								

TABLE 5.8

STATE PERCENT OF NON-FEDERAL REVENUE RECEIPTS FOR SUPPORT OF PUBLIC SCHOOLS - 1975-76

Number of States	10	15	17	8
*Indicates Decline	Under 35%	35% to 50%	51% to 65%	Over 65%
Alabama*				75.7
Alaska				76.4
Arizona			53.5	
Arkansas*			61.8	
California*		44.5		
Colorado		42.7		
Connecticut*	28.9			
Delaware*				73.6
Florida			58.2	
Georgia*			59.0	
Hawaii*				100.0
Idaho		49.9		
Illinois*		49.3		
Indiana*		43.1		
Iowa*		39.8		
Kansas*		49.5		
Kentucky*			63.6	
Louisiana*				67.5
Maine		48.5		
Maryland*		41.9		
Massachusetts	24.5			
Michigan*			53.7	
Minnesota*			57.9	
Mississippi*				69.8
Missouri*		38.1		
Montana*			61.3	
Nebraska*	19.0			
Nevada		42.8		
New Hampshire	10.0			
New Jersey*	30.7			
New Mexico*				75.8
New York*		41.9		
North Carolina*				76.3
North Dakota*			52.6	
Ohio*		38.9		
Oklahoma*			56.2	
Oregon*	30.8			
Pennsylvania*			52.7	
Rhode Island*		39.0		
South Carolina*			61.7	
South Dakota*	14.9			
Tennessee*			59.6	
Texas*			56.0	
Utah			62.5	
Vermont	31.4			
Virginia	34.4			
Washington*			56.2	
West Virginia			64.2	
Wisconsin*	34.7			
Wyoming*		35.3		

SOURCE: Based on current, unpublished data, HEW, National Center for Educational Statistics and experience factors. Thus, the higher instructional cost related to decline (higher average teacher salaries) will be borne by the states.

In contrast, districts in states where there is a high local share will not be significantly affected by state aid fluctuations related to decline. In fact, they stand to gain as enrollments decline because they can generate more dollars per student locally if a fixed tax base and a constant rate can be maintained.

An examination of how local shares of education costs are determined will assist in clarifying this issue. School boards in nearly all states are required by the state to levy a determined tax rate, usually against property. If, for analysis purposes, one holds the value of taxable property and the millage rate of tax assessed against that property constant, then the value of property and the derived tax yield will increase on a per-pupil basis as the number of pupils in a district declines. In most states, a portion of the local tax revenue becomes by state law a part of the formula entitlement to the district (called required local share), and a portion of the local tax revenue is a direct local income (called additional effort). Most states have what are called foundation formulas in which the state guarantees or differentially supplements a certain tax base or the income from a certain millage rate. As enrollments fluctuate in any one district, the district's required share, based on its wealth per child, fluctuates. If enrollments decline, the district required share per pupil or per unit increases and the state share per unit decreases proportionately. It is the value of the additional local tax beyond the state required share, however, which has the most significance forenrollment shifts. With such a non-student related income source, especially when it represents a significant portion of a district's total income, a loss in enrollment can mean a substantial increase in revenue per pupil.

Recent advocates of school finance reform have encouraged states to assume greater responsibility in funding schools in efforts to reduce interdistrict disparities and to allow for state support of special areas of need. However, districts with declining enrollments in those states with the highest percent of state aid will find it most difficult to adjust to rising costs because dollars will tend to decrease with students unless effective mitigating provisions are enacted.

SUMMARY AND RECOMMENDATIONS

Three-fourths of all the states have experienced overall student enrollment declines between 1970 and 1975, with a national loss of over 1.2 million students. Managing the financing of education during this period has become a major concern of educational policymakers and will become even more of a problem if enrollments continue to decline as projected. State aid funding mechanisms, developed during periods of growth, tend to relate state allocations to student count, either directly or indirectly. Thus, during a declining period, state funds are reduced in proportion to the district's loss of students. The fundamental problem is that the cost of delivering educational services does not diminish in direct proportion to the loss of students. For example, building maintenance varies only slightly as a school's enrollment increases or decreases. Utilities, if anything, continue to spiral upward. A teaching load reduction from 30 to 28 students should not necessitate a reduction in school building force. The equipment required for group instruction changes little. Experimental programs, often created out of surplus funds from increased enrollments, are still considered important to improve the quality of instruction. Demands for continued research and long-term development in such areas as curriculum innovation, assessment, accounting, and competency-based evaluation must be met at established cost levels. Administrative and supervisory costs tend to be fixed or to increase. The largest cost item, teachers' salaries, increases rapidly as the staff, with little turnover, gains experience and advanced degrees.

Twenty states have attempted to respond to this dilemma by developing provisions which guarantee prior income levels by hold-harmless clauses or through student count averaging. While these provisions are helpful in a crisis situation, they primarily only delay the impact and give management more lead time to confront the problem. It is of paramount importance, therefore, to look beyond these special declining enrollment provisions to the state aid formulas themselves in the fifty states.

The fiscal problems caused by declining enrollments will be resolved either by increasing per unit expenditures at a greater rate or by reducing expenditures and thereby reducing salaries, personnel, and/or services. Conflicts will continue to arise between those advocating more or less tax dollars for education and among those seeking alternative relative distribution formulas. Arguments on each side will focus on the four areas contained in state formulas.

The Number of Primary Units to be Funded

The easiest argument for the reduction of educational dollars can be made in the five states where flat grant dollars are linked directly to student count. The argument for reduction will be less likely to succeed in states having weighted pupil or teacher or classroom units because definition of the unit is linked to program quality variables. Advocates of a continued high level of state support will be able to discuss pupil/teacher ratios and the value of their reduction, or to argue for higher pupil weightings on quality education grounds to generate the funds needed to maintain staff and services.

The Valuation of the Units

Where the value of the unit funded has been determined directly by legislative judgment; i.e., $400 per elementary child, $600 per secondary child, or $5,000 per teacher or classroom, budget analysts will find it easy to argue for the maintenance of that pattern as enrollments decline. Increasing the unit value beyond inflation to make up in revenue for the loss of student-driven units is not likely. Such arguments simply don't sound logical to many policymakers. Where the valuation of a unit is set by a variety of factors such as sparsity of population, variable program or grade level "costs," indices of poverty, and most of all the training and experience (T&E) levels of the teachers, arguments for the continuation of high levels of support can be more easily maintained. Persons seeking to preserve appropriations can point to pre-existing patterns of commitment in the states having training and experience salary factors, and it can be expected that the higher average expenditure per unit in these states will be more readily maintained.

Categorical Programs

As enrollments decline, states should review their use of categoricals. Districts with enrollment declines would benefit greatly if states were to determine which costs don't vary directly with student count, and establish categorical programs to cover these fixed-costs (which should be reviewed and adjusted periodically to account for changes in program costs, such as inflation, and to respond to new state priorities). A few states (in particular, Utah, New Jersey, Georgia, and California) have already made extensive use of non-student count-driven categoricals.

Areas of categoricals which could be funded in this manner include:

1. Personnel retirement systems
2. Capital support programs, including facility maintenance, operation, and utilities
3. Regional administration and supervision
4. Certain supervision and administrative support costs such as subject area supervisors and principals in small schools
5. Transportation
6. Special programs such as adult, community, and early childhood educational programs, and health, library/media, and guidance/counseling services

If states would underwrite these programs in accordance with their cost rather than relating them to student count, districts with declining enrollments would benefit. However, where these fixed-costs are funded as a consolidated portion of a student or teacher unit, meeting these costs may come first and disproportionate reductions in student programs may result.

State to Local Share

Most local districts in the states which provide a high state share of costs are very dependent on the state allocation and vulnerable when student losses occur if the majority of state aid remains tied to student enrollments and no special mitigating provisions are enacted.

The importance of a strong, stable, and available local tax base for the sole support of local education could take on new value during enrollment declines. Districts which have considerable local leeway to generate revenue and are located in states which have depended heavily on local taxes will not be as likely to experience the budget crises which other areas will face. Parents, students, business people, and school employees could jointly be in a stronger political position to counteract those who would reduce local taxes. In contrast, policymakers at the state level seeking to reduce taxes or divert revenues from education to meet other state needs will be in a strong position to do so in states where most of the educational support is raised and allocated from the state capitol.

Most educators and educational researchers have assumed stability or growth in conducting their analysis of school finance and in recommending alternatives. In a period of enrollment decline, it becomes critical to review many assumptions and recommendations. Funding mechanisms that have worked well in a growth situation could alter or even reverse their legislative intent in a decline situation. Numerous options, based on the collective experience of many states, are now available to state policymakers who wish to re-examine their laws in light of the fiscal challenges of school administration during this period of enrollment decline.

CHAPTER VI

THE FISCAL IMPACTS OF DECLINING ENROLLMENTS: A STUDY OF DECLINING ENROLLMENTS IN FOUR STATES--MICHIGAN, MISSOURI, SOUTH DAKOTA AND WASHINGTON

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INTRODUCTION

Declining public elementary and secondary school enrollment is one of the most perplexing policy issues with which state education policymakers have been faced in the past few years. Declining pupil enrollments hardly were mentioned as recently as five years ago, but today numerous school districts in nearly every state are faced with fiscal, education, and personnel problems as their student populations drop each year.

The number of students enrolled in the nation's public elementary and secondary schools dropped from 45,903,000 to 44,700,000, a decline of 1,203,000 or 3 percent, between the 1970-71 and 1975-76 school years. As Table 6.1 shows, enrollments declined in thirty-seven of the fifty states between the fall of 1970 and the fall of 1975. And according to nearly all reasonable projections, enrollments are predicted to decline further until the middle of the 1980s.

The fiscal effects of declining enrollments have received little study. How declining enrollments affect local school districts and the dimensions of the appropriate state response are not well known. Nevertheless, local school districts across the country are seeking relief from the effects of declining enrollments from state legislators. In response to these policy issues, the current study was initiated.

TABLE 6.1

NUMBER OF PUBLIC SCHOOL PUPILS BY STATE

(in 000's)

	Number of Students		% Change in Students
	1970	1975*	1970-75
Alabama	805	757	- 6.0
Alaska	80	86	+ 7.5
Arizona	440	483	+ 9.8
Arkansas	463	451	- 2.6
California	4633	4394	- 5.2
Colorado	550	563	+ 2.4
Connecticut	662	655	- 1.1
Delaware	133	129	- 3.0
District of Columbia	146	130	-11.0
Florida	1428	1544	+ 8.1
Georgia	1099	1072	- 2.5
Hawaii	181	175	- 3.3
Idaho	182	186	+ 2.2
Illinois	2357	2278	- 3.4
Indiana	1232	1177	- 4.5
Iowa	660	616	- 6.7
Kansas	512	446	-12.9
Kentucky	717	695	- 3.1
Louisiana	842	833	- 1.1
Maine	245	248	+ 1.2
Maryland	916	887	- 3.2
Massachusetts	1168	1200	+ 2.7
Michigan	2181	2121	- 2.8
Minnesota	921	884	- 4.0
Mississippi	534	509	- 4.7
Missouri	1040	994	- 4.4
Montana	177	171	- 3.4
Nebraska	329	316	- 4.0
Nevada	128	136	+ 6.3
New Hampshire	159	171	+ 7.5

TABLE 6.1 (continued)

	Number of Students		% Change in Students
	1970	1975*	1970-75
New Jersey	1482	1458	- 1.6
New Mexico	281	280	- 0.4
New York	3477	3411	- 1.9
North Carolina	1192	1169	- 1.9
North Dakota	147	132	-10.2
Ohio	2426	2314	- 4.6
Oklahoma	627	591	- 5.7
Oregon	480	473	- 1.5
Pennsylvania	2358	2261	- 4.1
Rhode Island	188	177	- 5.9
South Carolina	638	622	- 2.5
South Dakota	166	153	- 7.8
Tennessee	900	865	- 3.9
Texas	2840	2762	- 2.7
Utah	304	304	0.0
Vermont	103	104	+ 0.1
Virginia	1079	1084	+ 0.5
Washington	818	779	- 4.8
West Virginia	400	401	0.0
Wisconsin	994	968	- 2.6
Wyoming	87	85	- 2.3
Total United States	45903	44700	- 2.6

*Estimated

SOURCE: U.S. Department of Health, Education and Welfare, National Center for Education Statistics, *Fall Statistics of Public Schools* (Washington, D.C.: U.S. Government Printing Office, 1976).

Of course, the fact that declining enrollments create financial difficulties may appear paradoxical to many legislators and the public. For years the basis of financial pressures on schools was from rapidly increasing enrollments; decline would seem to alleviate the pressures. But school districts simply cannot easily reverse their expenditure patterns. Seniority and tenure laws, as well as the present levels of capital equipment (school buildings, etc.), do not permit contraction back along the same path that existed during expansion.

This chapter investigates the fiscal impacts of declining enrollments from the point of view of state-level policymakers. Investigation of the effects of declining enrollments in individual school districts was not undertaken. The objective of this study is to make a preliminary analysis of whether declining enrollments are associated consistently with school fiscal characteristics, either within or across states, and if so, to discuss potential state school finance policies to deal with these problems. Because a similar study of declining enrollments recently was conducted in Iowa, reference to the Iowa results will be made throughout the following discussion.[1]

Five aspects of declining enrollments are examined. The first is simply the magnitude of the problem, both statewide and on a school district basis. The second relates to the type of school district affected by declining enrollments: central city, suburban, rural, large or small (with respect to numbers of students). The third is the wealth, tax rate, and state aid characteristics of declining enrollments districts. The fourth aspect includes the expenditures and personnel effects associated with changes in pupil enrollments. The last is the relationship between declining enrollments and the minority composition of school districts. The final section of the chapter discusses the implications of the study for new state policies. Because of the large number of tables, most of the detailed data on enrollment decline issues for the states studied are in Appendix A. The text summarizes the findings and refers to the appropriate tables.

The chapter is descriptive and its conclusions are certainly tentative. We hope that evidence presented here will shed light on some basic questions about the fiscal impact of declining enrollments, as well as indicate questions requiring further basic and policy research.

MAGNITUDE OF THE DECLINING ENROLLMENT PROBLEM[2]

Pupil enrollments peaked in Michigan during the 1971-72 school year. Between that time and the 1974-75 school year, enrollments dropped an average of one percent a year (Table 6.2). There were nearly 40,000 fewer students enrolled in Michigan public schools in 1974-75 as compared with 1970-71. Enrollments in Michigan are projected to continue to decline through 1979-80. In fact, between 1974-75 and 1979-80, Michigan is expecting an additional drop of 200,000 in the number of students attending public schools.

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[1] National Conference of State Legislatures (NCSL), *An Assessment of the Tax and Expenditure Equity of Iowa's School Finance System* (Washington, D.C.: NCSL, 1976).

[2] The data in this study were provided by the state departments of education in the four states. All assessed valuation and tax rate figures have been adjusted by official assessment ratios findings. Since the legal assessment levels vary among the four states, the

Table 6.2 shows that public elementary and secondary school enrollments in Missouri also peaked in the 1971-72 school year. Since then, Missouri has been losing students at an increasing rate. Although enrollments in Missouri public schools dropped overall by only 34,000 between 1971-72 and 1974-75, an average of 11,000 per year, state enrollment projections predict a pupil drop of 27,000 per year by the beginning of the 1980s. If enrollment declines have produced problems thus far in Missouri, the data in Table 6.2 indicate that the problems will intensify in the near future.

South Dakota appears to have experienced the most severe declining enrollment, with overall declines of between 2 and 3 percent each year during the past five years. For the 1974-75 school year, South

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absolute values of both assessed valuations and tax rates should not be compared among the states. The student count is the official September enrollment figure in Michigan, average daily attendance in Missouri, average daily membership in South Dakota, and average annual enrollment in Washington. The total expenditure per pupil figure used is current operating expenditures; instructional, administrative, transportation, operation and maintenance of plant and equipment and fixed expenditures are the standard definitions used by the respective state departments. The teacher count is number of teaching positions in Michigan, full-time equivalent teachers in Missouri, number of instructional staff in South Dakota, and number of certified staff in Washington. The definitions of central city, suburban, and nonmetropolitan areas are according to the 1970 U.S. Census. All data are stored in the multistate school finance data base of the Education Finance Center, Education Commission of the States. Data from nearly all school districts were used for Michigan, South Dakota, and Washington. Only data from Missouri's unified K-12 districts were used. However, because there was not sufficient information to allocate the students and expenditure data of school districts that consolidated between 1970-71 and 1974-75 to those districts into which they consolidated, those districts were dropped from the analysis. Enrollment increases in some cases, therefore, are a result of school district consolidation and not increases in the actual number of students.

TABLE 6.2

NUMBER OF PUBLIC SCHOOL STUDENTS IN MICHIGAN, MISSOURI, SOUTH DAKOTA AND WASHINGTON, 1970-71 to 1974-75, WITH PROJECTIONS TO 1979-80

	Number of Public School Students			
School Year	Michigan	Missouri	South Dakota	Washington
1970-71	2,178,745	1,084,833	167,347	764,928
1971-72	2,212,505	1,087,985	164,933	756,103
1972-73	2,193,270	1,082,744	160,420	741,393
1973-74	2,159,966	1,069,940	157,255	737,636
1974-75	2,139,720	1,053,829	154,353	729,805
Percent Change				
1971-75	-1.8	-2.9	-7.8	-4.6
1975-76	2,143,233*	1,036,711*	149,352	727,733
1976-77	2,103,925*	1,024,319*	149,198*	724,512
1977-78	2,052,825*	1,007,159*	146,983*	718,000*
1978-79	1,997,425*	982,910*	145,885*	704,200*
1979-80	1,939,425*	955,468*	144,932*	688,800*
Percent Change				
1976-80	-9.5	-7.9	-2.7	-5.4

* State Projections

SOURCE: Based on data from the State Department of Education in Michigan, Missouri, South Dakota and Washington.

Dakota enrolled 13,000 fewer students than it did in the 1970-71 school year, a decrease of nearly 8 percent. The enrollment projections for South Dakota predict a leveling off of pupil declines. However, past enrollment projections have not been very accurate. Therefore, if recent experience can be taken as a clue, South Dakota may still face significant enrollment drops in the near future.

The number of students in Washington's public schools also has been on the decline in the past few years. Between 1970-71 and 1974-75, Washington lost a total of 32,000 public school students, an overall drop of 4 percent or about a 1 percent decline each year. In 1979-80, the total public school student population in Washington is predicted to be 688,800, yielding a total drop of 76,000 students or 10 percent during the decade of the 1970s.

Effects by Grade Level

Although dropping at a faster rate in some states than in others, the decrease in the number of students attending public schools in these four states is a dramatic reversal of the rapid increase in students that was experienced during the 1960s. The overall figures discussed above, however, mask differential changes in the distribution of students by grade level. The overall impact of declining enrollments has been most severe in the early grades, while enrollment increases are still taking place in the secondary grades (see Appendix Tables A.1 to A.4).

Enrollments in Michigan declined only in grades 1-4 between 1970-71 and 1974-75.[3] These declines, however, will be felt in the upper grades during the second half of the 1970s. Similarly, in Missouri pupil decreases occurred only for grades K-6 between 1970-71 and 1974-75. However, the projections for Missouri indicate not only that elementary school declines in the early 1970s will produce high school declines in the late 1970s, but also that enrollments will will continue to decline in the elementary grades during that period. Thus, schools with grades 7-12 in Missouri will experience dramatic decreases in student enrollments for at least the next decade. In South Dakota, enrollments dropped in nearly all grades between 1970-71 and 1974-75, although the decreases were quite small in the upper grades. Finally, in Washington, overall pupil enrollments fell in grades 1-5, but continued to increase in grades 7-12.

In sum, although enrollments in all four states have dropped overall, the impact thus far has been felt primarily at the elementary level. For the most part, the junior and high school student population is still increasing. But, the elementary student declines soon will trickle up to the higher grades. For the next decade it will probably be the high schools in these states that will be coping with the losses in great number of pupils. In short, the full effect of declining enrollments has not occurred yet and the disruptions caused by the loss of students soon will begin to affect the budgeting and education programs for all grade levels in these four states.

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[3] For all states studied, it is difficult to attach significance to the changes in the number of kindergarten students. In all states, many school districts initiated kindergarten instruction during the time period indicated. Thus, the enrollment changes in that time are a combination of newly enrolled students from a given number of potential kindergarteners, together with increases and decreases in the total number of potential kindergartners.

Effects at the School District Level

Not only is the loss of students not uniform among grade levels, but it is also far from uniform among school districts. If the overall drop in students in a state were experienced uniformly by every school district in the state, the task of developing state policy with respect to the decline would be fairly straightforward. In fact, however, there is a wide range in the distribution of changes in the student population among school districts in the four states studied. Table 6.3 shows that in Michigan about 40 percent of the school districts lost students, while 60 percent gained. In Missouri, the split was about 50-50. In South Dakota, over 75 percent of the districts lost students between 1970-71 and 1974-75. And in Washington, around 50 percent of the school districts experienced enrollment declines.

TABLE 6.3

DISTRIBUTION OF PERCENT CHANGE IN STUDENTS BETWEEN 1970-71 AND 1974-75 IN MICHIGAN, MISSOURI, SOUTH DAKOTA AND WASHINGTON

Percent Change in Students	Number of School Districts			
1970-71 to 1974-75	Michigan	Missouri	South Dakota	Washington
Over -25	12	5	7	9
-20 to -25	9	4	10	9
-15 to -20	18	21	24	15
-10 to -15	48	42	40	24
- 5 to -10	63	85	52	48
0 to - 5	97	60	26	43
0 to 5	84	97	16	46
5 to 10	95	48	7	35
10 to 15	59	42	3	15
15 to 20	29	24	2	17
20 to 25	25	10	3	13
Over 25	44	7		23

SOURCE: Based on data from the State Departments of Education in Michigan, Missouri, South Dakota, and Washington.

The percent change in students, moreover, varied widely. Twenty-one Michigan school districts experienced a drop of greater than 20 percent of their students; percent pupil declines of that magnitude occurred for nine Missouri school districts, seventeen South Dakota school districts, and eighteen Washington school districts. At the other extreme, sixty-nine school districts in Michigan gained more than 20 percent. Similarly, twenty-seven districts in Missouri gained in excess of 20 percent, as did five districts in South Dakota and thirty-six districts in Washington.

While there were significant numbers of school districts at the extremes of gains and losses of students, numerous districts saw significant but moderate percent changes in the 10 to 20 percent range. Finally, numerous districts had changes within plus or minus 10 percentage points, but even for such marginal percent changes, the changes in the absolute numbers of students were dramatic for some districts.

Change in absolute enrollment by grade level is another important issue. In Michigan, the 10 percent of the school districts experiencing the greatest percent pupil loss enrolled 348 fewer K-3 students over this time period, 197 fewer grade 4-6 students, and a total of 398 fewer grade 7-12 students. The total average loss of K-6 students was 545, enough to close two elementary schools in most school districts if proximity of students and other circumstances allowed. Likewise, in Washington over these five years, the average pupil loss was 604 K-6 students and 380 grades 7-12 students for the decile of school districts with the largest percent loss of students (the first decile). Similar losses occurred for the first decile districts in Missouri.

Enrollment changes, declines as well as increases, are an important phenomenon for the school districts in the four states studied. All states have experienced and will continue to experience overall losses in the pupil populations of their elementary and secondary schools. In addition, the pupil declines have occurred primarily in grades K-6; thus, the enrollment drop will be felt in the high schools of these states for at least the next decade. Finally, the distribution of enrollment changes is far from equal among the school districts within the states. Many school districts have experienced declines of students in excess of 20 percent while some districts have had enrollment increases of over 20 percent. Whatever the percent change of students, however, the absolute number of student changes is dramatic. In most states, those school districts hit hardest by the loss of students have lost enough students to force the closing of up to two elementary schools on the average.

While there are many school districts that have increasing numbers of students, and while the problems they face are important, they nevertheless can take advantage of current administrative procedures and state policies that were developed during the 1960s in the era of rapid enrollment increases. The school districts experiencing enrollment losses are faced with budgetary problems, as well as a lack of state policies and administrative strategies developed for a declining situation. The following sections identify some of the fiscal problems associated with declining enrollments and make suggestions for developing state policies to deal with these problems.[4]

TYPE OF SCHOOL DISTRICTS AFFECTED BY DECLINING ENROLLMENTS

School districts were categorized by two variables for this study. The first was student size, where the objective was to determine whether large, medium, or small school districts were most acutely hit by declining enrollments. The second was central city, suburban or rural location, where the objective was to determine the difference in the impact of declining enrollments on these three types of geographical locations.

School District Size

The one strong conclusion that can be drawn from data on declining enrollments and district size is that declining student enrollment occurs in school districts across all ranges of size (see Appendix Tables A.9 to A.13). Some very large districts lost sizable numbers of pupils, some very small districts lost students, and many school districts with an average enrollment experienced significant pupil declines.

A closer scrutiny of the data provides some more definitive conclusions. In Michigan the largest school districts--defined here as those with more than 10,000 students--averaged a net pupil loss of 4.3 percent over these five years. Thus, in Michigan enrollment declines were especially severe for large districts. At the other end of the scale, there were many very small districts--those with less than 500 students--that lost large numbers of pupils. Although the standard deviation of the variable, percent pupil change, was high among all ranges of school district size, for school districts with fewer than 500 students the standard deviation was significantly larger than for all other categories.[5] Thus, while many very small Michigan school districts had enrollment increases, many small school districts also had enrollment drops. While all sizes of school districts experienced enrollment declines in Michigan, very large and very small districts were most affected.

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[4] An interesting methodological paper on declining enrollments based on a formal economic model of school district decisionmaking is Jay G. Chambers and Guilbert C. Hentschke, "The Impact of Declining Enrollments on Costs of Education and the Level of School District Expenditures: An Analysis of School District Decision-Making in the Face of Declining Enrollments," paper presented at the annual meeting of the American Educational Research Association, San Francisco, California, April 1976.

The results for Missouri, South Dakota, and Washington are similar to those for Michigan. The school districts with greater than 10,000 students in all three states averaged decreases in enrolled students. In addition, the standard deviation of the percent enrollment change for the smallest school districts was quite high, indicating numerous decreasing enrollments as well as increasing enrollment districts in this category. For South Dakota in particular, the decile of school districts with the greatest average percent decile had an average student size of half that in any other decile. In Missouri, both the smallest and the largest school districts averaged net declines in student enrollment. The situation for smaller districts conforms with the fairly general findings of regional economic analysis where smaller population areas tend to be relatively less "stable"--they tend either to grow or decline significantly.

In all states, a number of school districts, primarily small districts, consolidated over this time period. Thus, while the absolute number of students in two districts that consolidated could have decreased, if one district consolidated into another, which often occurred, the net pupil loss would be masked by the consolidation. Data were not readily available in any of the states studied to sort out this interaction. Thus, in some instances the degree of decline could be underestimated.

The heavy impact of declining enrollments on the largest and smallest school districts in the states also was found in the recent study in Iowa for both the time period analyzed in this study, 1970-71 to 1947-75, as well as the projected results for the time period from 1974-75 to 1980-81.[6]

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[5] Standard deviation is a statistical term that can be used to indicate the variation of a variable. Approximately two-thirds of observations, or school districts, are within one standard deviation of the mean (average) for a normal ("bell-shaped") distribution. About 95 percent of all observations are within two standard deviations of the mean. Thus, if the average of the number of school buildings, for example, for thirty-six school districts is twenty, and the standard deviation is five, one can reasonably expect that about two-thirds of those districts, twenty-four, will have a number of school buildings within one standard deviation of twenty; that is, they will have between fifteen and twenty-five school buildings.

Central City, Suburban, and Nonmetropolitan School Districts

In most states, as in the four states in this study, the very smallest school districts are located in predominantly rural (nonmetropolitan) areas, while the largest school districts are in the metropolitan (central city and suburban) locations. Table 6.4 shows that the nonmetropolitan areas in all four states had the school districts with the maximum percent decreases in students. At the same time, the school districts with the maximum increases in students were located in nonmetropolitan areas in the four states. Again, these numbers probably result from both significant student losses for some school districts and some school district consolidation, rather than student increases. Of course, some rural areas are experiencing significant immigration, particularly in areas of natural resource development. As noted above (see footnote 2), data were not available to sort out the different factors, such as consolidation and immigration.

The data in the table are clear, however, for the effect of pupil decreases on central city school districts; the average percent pupil change is negative for the central cities in each of the four states. This fact confirms the above conclusion that the very largest school districts in each state appear to be hardest hit by pupil declines.

Table 6.5 gives the percent enrollment change for all the central cities in these four states, as well as some relevant fiscal data. Eighteen of the twenty-two central cities experienced enrollment drops between 1970-71 and 1974-75. The declines ranged from 5 percent for Lansing and Ann Arbor, Michigan (1680 and 1005 students, respectively) to 21 percent (12,750 students) for Kansas City, Missouri. In between were St. Louis with a loss of 17 percent (15,900 students), Seattle with a drop of 18.5 percent (14,775 students), Sioux Falls, South Dakota, with a decrease of 10.9 percent (2,115 students), and Detroit with a decline of 10 percent (29,000 students). In percentage terms, but especially in terms of the numbers of students, these figures are dramatic.

Ideally, declining enrollments should have certain beneficial effects from the viewpoints of parents, educators, and taxpayers. A given amount of education dollars and fewer pupils, inflation, and other cost-increasing factors aside, should provide the opportunity

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[6] National Conference of State Legislatures, *An Assessment of the Tax and Expenditure Equity of Iowa's School Financing System*, p. IV-2.

TABLE 6.4

AVERAGE PERCENT CHANGE IN STUDENTS BETWEEN 1970-71 AND 1974-75 AMONG MICHIGAN, MISSOURI, SOUTH DAKOTA AND WASHINGTON SCHOOL DISTRICTS BY CENTRAL CITY, SUBURBAN, AND NONMETROPOLITAN LOCATIONS

			Percent Change in Students, 1970-71 to 1974-75			
		Number of Districts	Average	Minimum	Maximum	Standard Deviation
Michigan	Central City	11	-5.3	-12.3	11.4	7.6
	Suburban	225	+2.9	-30.8	148.2	18.1
	Nonmetropolitan	347	+5.7	-48.5	162.5	18.6
Missouri	Central City	5	-10.1	-21.1	2.7	9.5
	Suburban	85	5.0	-22.1	61.9	16.9
	Nonmetropolitan	365	1.1	-34.4	116.5	12.8
South Dakota	Central City	2	-8.3	-5.8	-10.9	3.6
	Suburban	10	-1.0	-18.5	12.0	9.9
	Nonmetropolitan	180	-6.7	-37.5	235.4	21.7
Washington	Central City	4	-12.5	-18.5	-8.0	4.5
	Suburban	65	4.6	-19.1	65.0	15.3
	Nonmetropolitan	228	1.5	-85.9	204.6	25.9

SOURCE: Based on data from the State Departments of Education in Michigan, Missouri, South Dakota, and Washington.

to enrich school programs and reduce class sizes. And for sufficient declines, even with the latter enhancement of education quality. taxpayers should face significant leveling off or even declining taxes for education. Where and how these benefits may occur and discussions of why they may not be all that are hoped for--because of such factors as limitations on reducing staffing and building use--have been discussed by various writers.[7] Of course, many current and potential teachers and administrators are dismayed at the leveling off or actual shrinkage of job opportunities, particularly when cutbacks rather than enrichment are the result of declining enrollments.

The fiscal, expenditure, and programmatic variables shown in the last four colums on Table 6.5 indicate that these central cities have not been able to achieve relatively advantaged positions because of these losses of students. In fact, most central cities face important fiscal constraints. For example, Detroit, which lost 29,000 students, has the highest pupil-teacher ratio of all central cities examined here, greatly above the statewide average. In addition, Detroit's expenditures per pupil also are below the statewide average and third lowest among all Michigan central cities. In fact, except for Kalamazoo and Ann Arbor, a university town, the declining enrollment central city school districts in Michigan possess average or below-average property wealth, tax rates above the state average, and pupil-teacher ratios nearly identical to the statewide average. In short, central city school districts in Michigan did not turn pupil declines into either below-state-average pupil-teacher ratios or above-state-average expenditures per pupil. If the central cities in Michigan gained any advantage from their pupil losses, it would have been in moving them from a disadvantaged position closer to statewide averages.

In Missouri the pattern is a bit more mixed, primarily because Kansas City has a property wealth 50 percent above the statewide average. However, all of the central cities in Missouri have pupil-teacher ratios above the statewide average, including Kansas City whose higher expenditures per pupil may be caused in part by the longevity pay of the teaching staff remaining and not by greater numbers of teachers.

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[7] See, for example, National Association of State Boards of Education, *A Report on Declining Enrollments* (Denver, Colo.: National Association of State Boards of Education, July 1976); Jonathan P. Sher and Rachel B. Tompkins, *Economy, Efficiency, and Equality: The Myths of Rural School and District Consolidation* (Washington, D.C.: National Institute of Education, July 1976).

TABLE 6.5

SELECTED SCHOOL FINANCE VARIABLES FOR THE CENTRAL CITY DISTRICTS IN MICHIGAN, MISSOURI, SOUTH DAKOTA, AND WASHINGTON, 1974-75

School District	% Change in Students 1970-71 to 1974-75	Number of Students 1974-75	Adjusted Assessed Valuation Per Pupil 1974-75	Adjusted School Tax Rate 1974-75	Current Operating Expenditures Per Pupil 1974-75	Pupil-Teacher Ratio 1974-75
Michigan						
Muskegon Heights	-12.3	3,600	$ 15,400	$ 27.80	$ 1,170	21
Jackson	-12.1	12,800	26,000	31.50	1,343	23
Kalamazoo	-11.9	15,900	33,300	34.40	1,594	23
Muskegon City	- 9.8	9,500	19,500	29.65	1,427	19
Detroit	- 9.8	260,900	22,100	22.51	1,290	26
Flint	- 7.8	42,400	24,900	30.65	1,349	24
Lansing	- 4.8	31,900	24,600	30.00	1,427	22
Ann Arbor	- 5.0	19,100	42,200	32.55	1,524	20
Bay City	+ 0.6	17,200	22,100	25.00	1,110	25
Grand Rapids	+ 3.7	36,300	22,700	27.10	1,295	22
Saginaw	+11.4	7,600	29,800	26.35	1,175	22
Statewide Average	- 5.2	41,600	25,700	23.84	1,337	23
Missouri						
Kansas City	-21.1	47,957	29,989	2.17	1,441	18
St. Louis	-17.4	77,807	14,265	3.49	1,214	19
St. Joseph	- 9.4	14,123	16,651	1.95	957	19
Springfield	- 5.4	22,192	23,178	1.69	1,033	20
Columbia	+ 2.7	9,817	21,415	2.29	1,131	18
Statewide Average	+ 1.7	1,865	19,965	1.98	1,015	17

TABLE 6.5 (Continued)

School District	% Change in Students 1970-71 to 1974-75	Number Of Students 1974-75	Adjusted Assessed Valuation Per Pupil 1974-75	Adjusted School Tax Rate 1974-75	Current Operating Expenditures Per Pupil 1974-75	Pupil-Teacher Ratio 1974-75
South Dakota						
Sioux Falls	-10.9	17,286	$ 15,885	$ 43.49	$ 936	18.3
Rapid City	- 5.8	13,128	12,381	44.37	838	19.3
Statewide Average	- 6.4	794	17,827	37.82	1,051	14.8
Washington						
Seattle	-18.5	65,089	114,232	5.95	1,830	16
Everett	-13.2	11,065	70,366	6.25	1,459	18
Spokane	-10.2	31,582	57,075	5.24	1,265	20
Tacoma	- 8.0	34,329	56,877	7.92	1,632	17
Statewide Average	+ 2.0	2,510	134,073	3.79	1,525	17

SOURCE: Based on data from the State Department of Education in Michigan, Missouri, South Dakota, and Washington

For South Dakota, the two largest cities have a per pupil property wealth below the state average, tax rates above the state average, expenditures below the state average, and pupil-teacher ratios above the statewide average, a disadvantaged position in each case. Enrollment declines clearly have not permitted large city school districts in South Dakota to assume an advantaged position.

In Washington, the pupil-teacher ratios in the cities are all at, above, or just one below the statewide average, even with dramatic losses of students. However, Seattle spends about $300 per pupil above the statewide average. Since the pupil-teacher ratio in Seattle is just one under the statewide average, it may be that the high-expenditure level is produced primarily by mandated longevity pay for the very experienced teaching staff remaining in the school district.

In sum, central city school districts have been hit hard by losses of public school enrollments. As the data discussed above indicate, moreover, only in very few cases have the decreases resulted in fiscal advantages for those school districts. In most cases, the decreased basic need for school services probably at best has increased the cities' position from one of great disadvantage to one of lesser disadvantage relative to statewide averages.

As will be discussed next, high declining enrollment districts also tend to have both above-average property tax rates and property values per pupil. The former is particularly a problem for the major central cities, which have high proportions of disadvantaged students and non-school dependent populations. The central city schools are faced with high needs in the areas of compensatory, special, and bilingual education. Although wealth tends to be above average, property tax rates also are above average. Thus, school aid formulas that address only wealth per pupil in assessing school district needs would not give much help to these central city districts with their greater problems resulting both from declining enrollments and higher needs.

RELATIONSHIPS BETWEEN DECLINING ENROLLMENTS AND WEALTH, TAX RATES, AND STATE AID

Both property wealth per pupil and school tax rates vary considerably among school districts with different levels of declining enrollment. Overall, therefore, both wealthy and poor, and both high and low, tax rate school districts have been affected by changes in student enrollment, both declines and increases.

Despite the variation, two additional patterns emerge from these data. First, the average property wealth per pupil in the first decile, that is, the decile of districts with the most severe student declines, is above the statewide average and, except for one other decile in Michigan, the highest among all deciles in all four states. The average property wealth of the highest declining enrollment districts is 25 percent above the statewide average in Michigan, 25 percent above in Missouri, 25 percent above in South Dakota, and 180 percent higher than the statewide average in Washington. In general, therefore, the 10 percent of school districts with the greatest enrollment declines possess a fiscal capacity 25 percent or more above the rest of the state. This result also was found in the NCSL study of declining enrollments in Iowa.[8] In short, while budgetary problems may be caused by declining enrollments, the fiscal advantages of the school districts most severely affected, in general, may be sufficient to allow these school districts to handle the extra costs on their own. However, as noted above, there is a great variation in wealth among the school districts hardest hit by student decreases. While on average these districts may possess a wealth advantage, many of them are poor in property wealth; some are central city districts hard-pressed to cope with the fiscal problems created by student losses.

Second, the average tax rates among the 10 percent of the school districts most acutely affected by declining enrollments are above or the same as the statewide averages in Michigan, Missouri, and Washington. The average tax rate of these school districts exceeds the statewide average by about 10 percent in Michigan and 20 percent in Missouri. While the average tax rate of the lowest decile in Washington is the same as the statewide average, the average tax rate in the next two deciles exceeds the statewide average by 37 percent and 29 percent, respectively. These results suggest that even with an average property wealth advantage, school districts with significant enrollment declines do not enjoy significantly lower tax rates. On the average, they exert above-average tax efforts for public schools. These results contrast with those in Iowa, where declining enrollment districts not only possessed a property wealth advantage, but also had lower-than-average tax rates.[9]

Even with a wealth advantage, however, the decile of districts with the largest percent enrollment drops received state aid per pupil in amounts significantly above the statewide average (See Appendix

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[8] National Conference of State Legislatures, *An Assessment of the Tax and Expenditure Equity of Iowa's School Finance System*, p. IV-3.

[9] *Ibid.*

Tables A.18 to A.21). This is a curious finding. Admittedly, the data do not indicate what other factors may account for these high levels of state aid per pupil. In South Dakota, for example, these districts are small in pupil size and the above-average state aid figures reflect, in part, the small school factors in the South Dakota formula. Nevertheless, the consistent trend across all four states is at least *prima facie* evidence that declining enrollment districts are reaping some benefit of state education aid policy, whether or not there are special considerations for school districts with enrollment drops.

THE IMPACT OF DECLINING ENROLLMENTS ON SCHOOL DISTRICT EXPENDITURES

During the 1971-75 period examined for this study, the consumer price index increased by over 30 percent at an average annual rate of close to 7 percent; wages and salaries in the private sector, at least, tended to rise about as fast. Thus, even if decreasing amounts of real resources would have been used by schools during this period, dollar expenditures probably would have risen greatly. Schools, as well as many other sectors, have been burdened by inflation. The deep recession of 1974-75 increased the problems of disadvantaged students, while also reducing state revenues. In addition, mandated new programs have increased pressures on local spending, without sufficient state or federal aid.

Even if general inflation and all the other problems were not so severe, school expenditures cannot be cut at the same time and at the same rate as enrollment declines occur. Instructional personnel provide a good example. In most school districts, teacher contracts must be signed in the spring, long before the late fall when the precise nature of enrollment drops is determined. This causes at least a one-year lag in personnel cuts. However, before personnel cuts can be implemented, there must be significant enrollment drops in each grade level. A drop of thirty to forty students in an elementary school is not sufficient to cut one teacher. A drop of thirty to forty students in a grade level is needed in most elementary schools to provide the possibility for cutting one teacher position. Moreover, even as teacher positions are cut, tenure laws and seniority provisions usually require that the least experienced and thus least costly teachers are cut first. This leaves a higher-cost teaching staff in the school, which pushes expenditures per pupil up even if a constant pupil-teacher ratio is maintained. Finally, the within-school lags are magnified across school districts because of the magnitude of enrollment declines that are needed to close entire schools with a minimum disruption of the districts' educational programs. Thus, operation and maintenance expenditures cannot be reduced as pupils decline. A similar inability holds true for fixed costs. Thus, in the short-run, operation and maintenance of plant expenditures per pupil and fixed expenditures per pupil necessarily increase in declining enrollment districts if for no other reason than that the same total expenditures are divided by a smaller number of students.

At least in the short-run, then, expenditures per pupil in declining enrollment school districts must rise. The increase, moreover, is mainly outside the control of either the school board or school administrators. Over the longer run, however, expenditures can be brought under control as teacher cuts and school building closings become feasible. And advance planning can shorten the time lags necessary for these adjustments.

The above comments are true only in the context of maintaining the level of the quality of the school program as it was before enrollments began to decline. Many argue that declining enrollments provide a school district with opportunities to enhance the school program. Under this supposition, while expenditures per pupil will rise, quality also will rise. If, moreover, teacher cuts do not occur, part of the increase in quality will be lower pupil-teacher ratios and more personalized instructional programs.

Whatever tack a school board decides to take, and it usually will be some cut in resources and some increase in program quality, declining enrollments do force expenditure-per-pupil changes in and among school districts. The following subsections examine the associations of declining enrollments first with instructional and administrative expenditures, including average teacher salaries and pupil-teacher ratios, and second with fixed expenditures and the cost of operating and maintaining the school plants.

Instructional and Administrative Expenditures

Average current operating expenditures per pupil in the highest declining enrollment districts exceed the statewide averages. In general, the declining enrollment districts are spending 20 percent or more above the statewide average. Both instructional and administrative expenditures per pupil for the declining enrollment districts are higher than the statewide average. In fact, within all four states, there is a fairly consistent pattern for both instructional and administrative expenditures per pupil to decrease as enrollment changes move from a decrease to a stable to an increase situation. Put another way, while instructional and administrative expenditures per pupil are above average for declining enrollment districts, they are below average for increasing enrollment districts.

In addition, in Michigan and Washington increases between 1970-71 and 1974-75 in instructional and administrative expenditures per pupil are greatest in the most acutely affected declining enrollment districts. Moreover, the increases in administrative expenditures per pupil, on a percent-increase basis, significantly exceed those for instructional expenditures per pupil. Thus, while expenditures per pupil on teachers and instructional resources have increased in these declining enrollment districts, the increases have been even more pronounced, on a percentage basis, for administrative expenses. These findings, as well as those in the preceding paragraph, were also true of expenditures in the NCSL Iowa study.[10]

Conceivably, such districts, particularly the large urban districts, could have received state and federal aid and mandates requiring more administrators. On the other hand, it may be easier or more acceptable to decisionmakers to reduce the number of teachers than the number of administrators in the face of declining enrollments. Data were not available to determine why administrative expenditure increases were greater than instruction expenditure increases.

Pupil-teacher ratios are also lowest in the declining enrollment districts. Not only are pupil-teacher ratios lower in these school districts, but also the decrease between 1970-71 and 1974-75 in the pupil-teacher ratios for these school districts has been greater than that for the other districts. Especially for Washington, the change in the pupil-teacher ratio has been a proportional function of enrollment changes; if enrollments dropped, fewer pupils were in each teacher's class; if enrollment increased, more pupils were in each teacher's class.[11]

Nevertheless, the average teacher salary in declining enrollment districts is not significantly above the average statewide. In Washington, in fact, the average teacher salary in the decile of districts hardest hit by enrollment drops is below the statewide average. Although the average teacher salary in the first decile of declining enrollment districts is above the statewide average in Michigan, the change between 1970-71 and 1974-75 in the average teacher salary is of the same magnitude as for all deciles and, thus, a lower percent change. Similarly, in Washington the percent change in average teacher salaries among the deciles of school districts is nearly the same.

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[10] *Ibid.*, pp. IV-3 to IV-4.

[11] It should be noted that unless pupil-teacher ratios fall dramatically, enrollment declines produce a decrease in the demand for teachers. Thus, unless the number of college and higher education students enrolled in teacher preparation courses decreases, the country will continue to have a surplus of teachers.

These results on teacher salaries are perplexing. If declining enrollment districts are required by tenure and seniority laws to keep the more experienced, higher-paid teachers, why is the average teacher salary in the declining enrollment districts not well above the statewide average? The answer cannot be determined from the data developed for this chapter alone. From Section I, however, it is known that the greatest student declines occurred in the very largest and in the very smallest school districts. On average, teacher salaries are higher in the large city school districts and lower in the small rural areas. Thus, the average teacher salary figures might reflect the mean of a bimodal distribution; i.e., the average of many below-average salaries and many above-average salaries. These results also might reflect education-experience differences that existed prior to the enrollment decline.

However, the results in this section, in general, confirm certain *a priori* predictions. Expenditures per pupil are indeed higher in the declining enrollment school districts. Pupil-teacher ratios are also lower. Whether this is short-run or whether it reflects a permanent increase in the quality of the educational program is not possible to determine. Of course, the above-average expenditure complicates further the design of an appropriate state aid policy for fiscal problems caused by enrollment drops. Perhaps the most questionable expenditure increase is the disproportionate rise in administrative expenditures per pupil.

Other Selected Education Expenditures

Three categories of education expenditures are especially difficult to reduce in the short-run in a situation of either decreases or increases in numbers of students: transportation, operations, and maintenance of plant and fixed charges. There appear to be no strong patterns between transportation expenditures and declining enrollments. This finding is not surprising because transportation expenditures depend almost entirely on the area size and geographical characteristics of a school district.

The patterns for maintenance and operation of plant and fixed charges are as expected. Expenditures per pupil for these two categories of expenditures are higher in declining enrollment school districts. Among the districts in all four states expenditures per pupil for these two categories of costs decrease almost uniformly as the pupil changes in the school districts move from decreasing, to stability, to increasing. These are costs that can be decreased only by literally closing entire school buildings. Closing school buildings can occur only when declining enrollments have occurred in relatively large numbers over relatively long periods of time.

THE IMPACT OF DECLINING ENROLLMENTS ON MINORITY STUDENTS

An often overlooked result for school finance in general, as well as declining enrollments in particular, is the impact on particular subgroups of the student population. Minority students in many states become somewhat disadvantaged by many standard forms of school finance reform. One of the emerging trends related to declining enrollments is its impact on school districts with concentrations of minority students.

In Michigan and Missouri, the school districts with large concentrations of minority students have been hardest hit by declining enrollments. For Michigan, the three deciles of school districts with the greatest enrollment losses have average minority concentrations above the other seven deciles of districts, in some cases double the statewide average. In Missouri, the results are stronger. The two deciles of districts having the greatest enrollment declines have very high concentrations of minority students: an average 36 percent of their student bodies is comprised of minority members.

This pattern, however, is not evidenced in either South Dakota or Washington. In South Dakota, the minority population is almost entirely Indian and is enrolled in a relatively few number of school districts. There is no apparent pattern to the results in Washington: school districts with both high and low concentrations of minorities have been affected by both losses and gains of students.

However, in a recent study of declining enrollments in Illionis it was found that, as in Michigan and Missouri, school districts with declining enrollments tended to have high concentrations of minority pupils, as well as high concentrations of Title I eligible pupils.[12] Such results indicate that there is a socio-demographic implication of the declining enrollment phenonemon. Central cities provide the most vivid example. Declining enrollments in many cases are producing changes in the ethnic and economic compositions of pupil enrollment, specifically increasing the concentrations of poor and minority students in certain areas. Such results indicate that there not only is a link between declining public school enrollments and declining national birth rates, but also between declining enrollments in many school districts and white, middle- and upper-income flight, or at least nonreplacement of white children, in many of the nation's urban areas.[13] Across the nation only twelve of eighty-five large city districts surveyed by the National Association of State Boards of Education did not have enrollment declines during 1970-74, and the racial and ethnic mix has continued to become predominantly black and Spanish-surnamed.

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[12] G. Alan Hickrod, *et al.*, *Enrollment Change and Personnel Change in the K-12 Schools of Illinois* (Normal, Ill.: Illinois State University, 1976).

CONCLUSIONS AND STATE POLICY IMPLICATIONS

This study of the impact of declining enrollments in four states has produced a number of findings. Many of the findings are similar to those of recent studies in Illinois and Iowa. The major findings are:

1. Declining enrollments have occurred primarily in the elementary grades. Declining enrollments are just beginning to affect middle schools and high schools, but will have an impact at that level for the next decade.

2. Declining enrollments are distributed unevenly among school districts in a state. Many school districts have undergone dramatic losses of students, other school districts have had large student increases and still other school districts have had a relatively stable student population.

3. Declining enrollments have occurred in school districts of all sizes, but have affected most severely the largest and the smallest school districts in a state.

4. Declining enrollments have hit central cities hardest. Many large city school districts have experienced drops of greater than 10 percent of their student populations, totaling close to 25,000 students in some cases over a five-year period.

5. Declining enrollment school districts, in general, have above-average property wealth per pupil and receive

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[13] See National Association of State Boards of Education, *A Report on Declining Enrollments*, p. 5.

above-average state aid per pupil. In some states, declining enrollment districts have higher-than-average tax rates, but in other states, declining enrollment districts exert lower-than-average school tax efforts. In any case, there are wide variations in the wealth and tax-rate levels of declining enrollment districts.

6. Declining enrollment school districts are above statewide averages per pupil for total, instructional, operation-and-maintenance-of-plant, and fixed expenditures. Declining enrollment districts also have lower-than-average pupil-teacher ratios, but about average teacher salaries.

7. School districts with significant declines in the student population tend to be school districts with higher-than-average concentrations of minority students.

Although not discussed explicitly above, a further important inference can be drawn as noted earlier (see footnote 11). If current pupil-teacher ratios are maintained, it is likely that there will be a net decrease in the number of teachers demanded over at least the next five years. Further significant reductions in pupil-teacher ratios will be necessary to raise demand. In any case, the demand side does not look like an important source of reducing the current "excess supply" of teachers, unless states and local districts make major decisions to reduce class sizes further in the pursuit of higher quality of education.

What are appropriate new policies for the states to cope with declining enrollments? Since most state aid policies allocate aid on the basis of the number of pupils in a school district, state aid decreases as the number of students decline.[14] But as discussed previously, there are time lags involved in the ability of school districts to cut back on school resources as enrollment decline sets in. There are a number of ways states have attempted to cushion the impact of enrollment declines on state aid losses. Of the four states included in this study, Michigan and Missouri had specific provisions during the period analyzed, but South Dakota and Washington did not. The simplest method is to count only half the pupil decline. This cushions the loss of students for only one year, however, and is probably too short-run in its effect.

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[14] Leppert and Routh emphasize the need for basic analysis of the fiscal characteristics of high-decline districts. They also point out that "while greater state assumption of costs has been advocated to reduce district disparities, it is in those states with a high state share that districts will have the greatest difficulty adjusting to decline if the majority of state aid continues to be student-count related." See Jack Leppert and Dorothy Routh, *An Analysis of State School Finance Systems as Related to Declining Enrollments* (Tallahassee, Fla.: MGT of America, Inc., September 1976), pp. 30-31. Reprinted as Chapter 5 in this volume.

A method now used in Colorado, North Dakota, and Ohio, and proposed for use in a number of other states, including South Dakota, is to use the greater of the current year enrollment or the average of the enrollment of the preceding two or three years. This method provides a longer-term cushion and is probably more reflective of the time period needed by school districts to cut back on school resources as enrollments drop. In addition, this method phases in and phases out naturally and, thus, is sensitive to the enrollment changes and changes in enrollment change rates of individual school districts. As a method of counting children for the allocation of state aid in an era of declining enrollments, a three-year floating average is preferable.

However, counting children is only the beginning of an appropriate state declining enrollment aid policy. Some states, like Iowa, calculate the "bonus pupils" that such a system produces and then allocate a lump sum of dollars to all declining enrollment school districts regardless of the property or income wealth of the school district. While this aid structure makes more sense for property-poor school districts, the findings in this study show that declining enrollment districts have, in general, above-average wealth and in many cases significantly above-average property wealth. It makes little sense to allocate bonus state aid for any purpose to very wealthy school districts.

Thus, any kind of state factor for declining enrollments should be allocated by some equalization formula. The simplest way to make such an allocation is to determine an appropriate pupil weight that would reflect the higher costs of declining enrollments. Such a system would designate additional state aid for declining enrollment on a pupil-weighted system and allocate the aid through the general equalization aid formula. Of course, a separate equalization formula, such as those used for capital construction or special education aid in many states, could be developed for just the declining enrollment aid. Furthermore, as indicated at the end of Section II, in central cities where declining enrollments have often been large, the many other difficulties of such districts may require special attention.

Clearly, one major problem in a pupil-weighted system would be determining the extra cost caused by declining enrollments. At present, such results are not available. But research now in progress by the Education Commission of the States (ECS) in Missouri could be the beginning of creating a methodology for determining and defining the magnitude of the extra costs produced by declining enrollments. The ECS study is focused primarily on overall cost-of-education differentials among school districts. But a subcomponent of the research project is to identify the elements of those cost differentials caused exclusively by declining enrollments. Such results would give the state a means of using some objective criteria to set the level of extra aid to be allocated to alleviate school districts of the higher costs per pupil forced on them because of a loss of students.

Finally, state policies should be developed to help create a set of administrative procedures and strategies to cope with a situation of decremental budgeting. School administrators in this country primarily have been trained to administer school systems with increasing enrollments. The managerial techniques used to maximize the efficiency and effectiveness of organizations are different when the organization--school--is increasing, stable, or decreasing in size. While designing the appropriate adjustments in state aid formulas for the declining enrollment situation is relatively straightforward, perhaps the most fruitful focus of state energy would be on retraining school administrators and managers to cope effectively, efficiently, and humanely in an era when the number of students enrolled in public schools is rapidly decreasing. The effect of enrollment declines and the concomitant resource cuts have a heavy impact on both teachers and students. While the fiscal effects of declining enrollments are important, the human effects are even more important and should receive the bulk of state attention and focus.

APPENDIX

DETAILED STATISTICAL TABLES

TABLE A.1

NUMBER OF STUDENTS BY GRADE LEVEL IN MICHIGAN SCHOOL DISTRICTS, 1970-71 AND 1974-75

	Number of Students	
Grade	1970-71	1974-75
K	167,904	162,074
1	168,487	152,746
2	166,155	152,163
3	163,823	151,580
4	166,155	157,410
5	162,657	164,989
6	162,074	167,904
7	170,236	172,568
8	167,904	176,066
9	178,981	181,896
10	173,151	180,147
11	155,078	163,823
12	136,422	146,916
Total	2,139,027	2,130,282

SOURCE: Based on data from Michigan State Department of Education.

TABLE A.2

NUMBER OF STUDENTS BY GRADE LEVEL IN MISSOURI SCHOOL DISTRICTS, 1970-71, 1974-75 AND 1979-80*

	Number of Students		
Grade	1970-71	1974-75	1979-80
K	77,516	74,274	65,893
1	91,062	72,311	70,549
2	86,600	71,620	71,721
3	87,952	73,450	72,749
4	87,655	77,345	69,419
5	87,137	81,551	65,508
6	85,021	83,230	64,847
7	84,611	86,229	68,921
8	83,540	86,933	71,829
9	84,030	91,041	79,822
10	76,830	85,540	81,274

TABLE A.2 (continued)

	Number of Students		
Grade	1970-71	1974-75	1979-80
11	69,444	78,115	77,493
12	61,572	67,576	70,773
Total	1,062,970	1,029,215	930,798

*Projected

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A-3

NUMBER OF STUDENTS BY GRADE LEVEL IN SOUTH DAKOTA SCHOOL DISTRICTS, 1970-71 AND 1974-75

	Number of Students	
Grade	1970-71	1974-75
K	9,553	10,269
1	12,943	10,456
2	13,318	10,115
3	13,627	10,529
4	13,805	11,419
5	13,924	12,237
6	13,885	12,970
7	13,625	13,757
8	13,848	14,141
9	14,063	14,083
10	13,673	13,532
11	12,941	12,620
12	12,268	12,271
Total	173,006	161,122

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.4

NUMBER OF STUDENTS BY GRADE LEVEL IN WASHINGTON SCHOOL DISTRICTS, 1970-71 AND 1974-75

Grade	Number of Students	
	1970-71	1974-75
K	51,730	54,600
1-6	381,880	388,072
7-12	367,681	377,256
Total	801,291	770,128

SOURCE: Based on data from the Washington State Department of Education.

TABLE A 5

DESCRIPTIVE STATISTICS OF ENROLLMENT CHANGE AMONG MICHIGAN SCHOOL DISTRICTS BY DECILES OF PERCENT CHANGE IN STUDENTS, 1970-71 TO 1974-75

Decile	Number of School Districts	% Change in Students, 1970-71 to 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	59	-19.4	-12.0	-48.5	8.0
Second	59	- 9.0	- 6.2	-11.9	1.8
Third	58	- 4.7	- 3.4	- 6.1	0.8
Fourth	59	- 1.8	- 0.6	- 3.4	0.8
Fifth	58	0.9	- 0.5	2.5	0.9
Sixth	58	4.0	2.5	5.6	0.9
Seventh	58	6.6	5.6	8.2	0.8
Eighth	58	10.2	8.2	12.3	1.2
Ninth	58	16.4	12.5	-21.3	2.8
Tenth	58	41.7	21.8	162.5	29.0
Statewide	583	4.4	-48.5	162.5	18.3

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.6

DESCRIPTIVE STATISTICS OF ENROLLMENT CHANGE AMONG MISSOURI SCHOOL DISTRICTS BY DECILES OF PERCENT CHANGE IN STUDENTS, 1970-71 TO 1974-75

Decile	Number of School Districts	% Change in Students, 1970-71 to 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	46	-17.1	-12.4	-34.4	5.3
Second	45	-10.0	- 8.2	-12.3	1.2
Third	46	- 7.0	- 5.8	- 8.1	0.7
Fourth	45	- 4.2	- 2.4	- 5.8	1.1
Fifth	46	- 0.8	- 2.4	- 0.5	0.9
Sixth	45	1.6	0.6	2.7	0.6
Seventh	46	4.1	2.7	6.2	1.0
Eighth	45	8.4	6.4	10.6	1.2
Ninth	45	13.4	10.9	16.3	1.6
Tenth	46	29.0	16.3	116.5	17.8
Statewide	455	1.7	-34.4	116.5	13.7

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.7

DESCRIPTIVE STATISTICS OF ENROLLMENT CHANGE AMONG SOUTH DAKOTA SCHOOL DISTRICTS BY DECILES OF PERCENT CHANGE IN STUDENTS, 1970-71 TO 1974-75

Decile	Number of School Districts	% Change in Students, 1970-71 to 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	19	-24.8	-19.9	-37.5	4.2
Second	19	-17.6	-15.7	-19.3	1.3
Third	19	-14.0	-12.5	-15.7	0.9
Fourth	19	-11.5	-10.6	-12.5	0.7
Fifth	19	- 9.6	- 8.7	-10.3	0.5
Sixth	20	- 7.7	- 6.9	- 8.7	0.6
Seventh	20	- 5.7	- 4.2	- 6.7	0.6
Eighth	19	- 2.7	- 0.6	- 4.0	1.0
Ninth	19	1.3	- 0.5	4.1	1.5
Tenth	19	28.3	4.3	235.4	52.6
Statewide	192	- 6.4	-37.5	235.4	21.1

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.8

DESCRIPTIVE STATISTICS OF ENROLLMENT CHANGE AMONG WASHINGTON SCHOOL DISTRICTS BY DECILES OF PERCENT CHANGE IN STUDENTS, 1970-71 TO 1974-75

		% Changes in Students, 1970-71 to 1974-75			
Decile	Number of School Districts	Average	Minimum	Maximum	Standard Deviation
First	30	-28.2	-16.5	-85.9	17.2
Second	29	-12.6	-10.4	-16.5	1.8
Third	30	- 8.6	- 7.3	-10.4	1.0
Fourth	30	- 5.6	- 4.4	- 7.3	0.8
Fifth	30	- 2.2	- 0.5	- 4.3	1.2
Sixth	29	0.9	- 0.5	2.3	0.9
Seventh	30	4.1	2.3	6.4	1.2
Eighth	30	8.8	6.4	12.5	1.6
Ninth	29	16.9	12.6	22.3	2.9
Tenth	30	46.3	22.4	204.3	42.7
Statewide	297	2.0	-85.9	204.3	23.8

SOURCE: Based on data from the Washington State Department of Education.

TABLE A.9

PERCENT CHANGE IN STUDENT ENROLLMENT AMONG MICHIGAN SCHOOL DISTRICTS, 1970-71 TO 1974-75, FOR SEVEN RANGES OF SCHOOL DISTRICT STUDENT ENROLLMENT

	% Change in Student Enrollment, 1970-71 to 1974-75			
School District Student Enrollment	Average	Minimum	Maximum	Standard Deviation
Under 500 (93 Districts)	9.1	-48.5	165.5	32.7
500-1000 (76 Districts)	6.4	-14.6	31.5	10.6
1000-2000 (133 Districts)	3.9	-25.9	36.4	10.2
2000-3000 (97 Districts)	5.4	-25.0	50.0	12.8
3000-5000 (90 Districts)	3.4	-22.5	148.2	21.1

TABLE A.9 (continued)

School District Student Enrollment	% Change in Student Enrollment, 1970-71 to 1974-75 Average	Minimum	Maximum	Standard Deviation
5000-10,000 (62 Districts)	0.6	-27.2	39.2	12.8
Over 10,000 (32 Districts)	-4.3	-21.5	28.8	11.3
Statewide	4.4	-48.5	162.5	18.3

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.10

PERCENT CHANGE IN STUDENT ENROLLMENT AMONG MISSOURI SCHOOL DISTRICTS, 1970-71 TO 1974-75, FOR SEVEN RANGES OF SCHOOL DISTRICT STUDENT ENROLLMENT

School District Student Enrollment	% Change in Student Enrollment, 1970-71 to 1974-75 Average	Minimum	Maximum	Standard Deviation
Under 175 (21 Districts)	-4.4	-33.9	18.0	12.8
175-375 (91 Districts)	0.3	-17.0	39.8	11.9
375-750 (128 Districts)	2.0	-34.4	116.5	15.4
750-1500 (98 Districts)	2.7	-27.7	47.7	11.7
1500-4500 (80 Districts)	3.8	-17.9	61.2	13.7
4500-10,000 (24 Districts)	3.4	-22.1	62.0	18.0
Over 10,000 (13 Districts)	-4.5	-21.1	19.2	12.9
Statewide (455 Districts)	1.7	-34.4	116.5	13.8

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.11

PERCENT CHANGE IN STUDENT ENROLLMENT AMONG SOUTH DAKOTA SCHOOL DISTRICTS, 1970-71 TO 1974-75, FOR SIX RANGES OF SCHOOL DISTRICT STUDENT ENROLLMENT

School District Student Enrollment	% Change in Student Enrollment, 1970-71 to 1974-75			
	Average	Minimum	Maximum	Standard Deviation
Under 150 (19 Districts)	-3.8	-37.5	60.0	26.1
150-299 (44 Districts)	-9.5	-28.1	16.0	10.4
300-499 (54 Districts)	-9.1	-30.3	8.1	7.7
500-999 (44 Districts)	-2.5	-22.3	235.4	37.2
1000-9999 (25 Districts)	-4.3	-18.5	24.3	9.5
Over 10,000 (2 Districts)	-8.3	-10.9	- 5.8	3.6
Statewide	-6.4	-37.5	235.4	21.1

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.12

PERCENT CHANGE IN STUDENT ENROLLMENT AMONG WASHINGTON SCHOOL DISTRICTS, 1970-71 TO 1974-75, FOR SEVEN RANGES OF SCHOOL DISTRICT STUDENT ENROLLMENT

School District Student Enrollment	% Change in Student Enrollment, 1970-71 to 1974-75			
	Average	Minimum	Maximum	Standard Deviation
Under 300 (91 Districts)	3.2	-85.9	204.6	38.9
300-500 (34 Districts)	3.7	-20.0	48.6	17.6
500-1000 (52 Districts)	1.1	-18.3	29.8	11.2

TABLE A.12 (continued)

School District Student Enrollment	% Change in Student Enrollment, 1970-71 to 1974-75			
	Average	Minimum	Maximum	Standard Deviation
1000-3000 (60 Districts)	1.6	-19.0	29.6	11.0
3000-5000 (23 Districts)	2.0	-11.4	15.5	9.2
5000-10,000 (20 Districts)	1.6	-17.0	38.7	13.9
Over 10,000 (17 Districts)	-4.2	-19.1	17.2	10.6
Statewide	2.0	-85.9	204.3	23.8

SOURCE: Based on data from the Washington State Department of Education.

TABLE A.13

DESCRIPTIVE STATISTICS OF SCHOOL DISTRICT STUDENT ENROLLMENT AMONG MICHIGAN SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	School District Student Enrollment, 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	-19.4	4,787	13	20,196	4,993
Second	- 9.0	8,662	23	260,905	34,183
Third	- 4.7	4,087	224	31,909	5,680
Fourth	- 1.8	3,111	35	23,153	3,974
Fifth	0.9	2,729	20	17,239	3,288
Sixth	3.9	3,173	40	36,291	6,309
Seventh	6.6	2,690	17	21,996	3,477
Eighth	10.1	2,486	23	9,525	2,197
Ninth	16.4	2,340	31	10,003	2,111
Tenth	41.7	2,386	9	26,347	4,057
Statewide	4.4	3,655	9	260,905	11,650

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.14

AVERAGE ADJUSTED SCHOOL TAX RATES AND ASSESSED VALUATION PER PUPIL AMONG MICHIGAN SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENTS, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75*		Average Adjusted Assessed Valuation Per Pupil, 1974-75*	
		Average	Standard Deviation	Average	Standard Deviation
First	-19.4	26.0 mills	6.5 mills	$33,023	$19,721
Second	- 9.0	26.1 mills	4.4 mills	26,143	12,833
Third	- 4.7	25.5 mills	3.9 mills	25,301	14,437
Fourth	- 1.8	23.8 mills	3.4 mills	21,550	9,440
Fifth	0.9	23.2 mills	3.9 mills	21,750	7,796
Sixth	4.0	23.5 mills	3.2 mills	23,204	17,129
Seventh	6.6	22.7 mills	4.4 mills	26,317	25,204
Eighth	10.4	22.7 mills	3.3 mills	26,258	20,927
Ninth	16.4	22.6 mills	2.6 mills	22,451	8,411
Tenth	41.7	22.1 mills	6.0 mills	37,867	47,379
Statewide	4.4	23.8 mills	4.5 mills	26,389	21,814

*Assessed valuations and tax rates have been adjusted by official state assessment ratios in order to obtain comparable levels.

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.15

AVERAGE ADJUSTED SCHOOL TAX RATES AND ASSESSED VALUATION PER PUPIL AMONG MISSOURI SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75*		Average Adjusted Assessed Valuation Per Pupil, 1974-75*	
		Average	Standard Deviation	Average	Standard Deviation
First	-17.1	$ 2.40	$ 0.80	$24,980	$10,329
Second	-10.0	2.20	0.80	21,466	11,943

TABLE A.15 (continued)

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75*		Average Adjusted Assessed Valuation Per Pupil, 1974-75*	
		Average	Standard Deviation	Average	Standard Deviation
Third	- 7.0	$ 1.90	$ 0.50	$22,677	7,939
Fourth	- 4.2	1.80	0.40	20,430	8,709
Fifth	- 0.8	1.80	0.40	19,107	7,660
Sixth	1.6	1.80	0.50	19,379	9,967
Seventh	4.1	1.80	0.50	19,090	9,362
Eighth	8.4	2.00	0.60	17,987	11,831
Ninth	13.4	2.00	0.70	16,921	7,077
Tenth	29.0	2.10	0.70	17,529	7,479
Statewide	1.7	2.00	0.60	19,965	9,577

*Assessed valuations and tax rates have been adjusted by official state assessment ratios in order to obtain comparable levels.

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.16

AVERAGE ADJUSTED SCHOOL TAX RATES AND ASSESSED VALUATION PER PUPIL AMONG SOUTH DAKOTA SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75*		Average Adjusted Assessed Valuation Per Pupil, 1974-75*	
		Average	Standard Deviation	Average	Standard Deviation
First	-24.8	37.2 mills	7.3 mills	$22,204	$ 9,967
Second	-17.6	37.8 mills	5.2 mills	18,526	5,555
Third	-14.0	39.0 mills	6.8 mills	18,816	4,479
Fourth	-11.5	37.5 mills	6.3 mills	19,079	5,742
Fifth	- 9.6	36.6 mills	6.0 mills	16,993	2,988
Sixth	- 7.7	36.1 mills	6.6 mills	19,514	8,051
Seventh	- 5.7	38.6 mills	6.8 mills	15,040	5,006
Eighth	- 2.7	37.5 mills	9.9 mills	18,391	8,043
Ninth	1.3	39.3 mills	6.4 mills	13,698	4,187

TABLE A.18

AVERAGE REVENUE PER PUPIL BY SOURCE AMONG MICHIGAN SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Revenue Per Pupil, 1974-75 Local Sources	State Sources	Federal Sources	Other Sources
First	-19.4	$ 873	$ 326	$ 24	$ 1
Second	- 9.0	760	431	17	2
Third	- 4.7	726	455	18	1
Fourth	- 1.8	603	484	7	1
Fifth	0.9	580	475	6	1
Sixth	4.0	611	500	16	2
Seventh	6.6	632	485	29	1
Eighth	10.1	650	455	13	1
Ninth	16.4	597	448	10	1
Tenth	41.7	750	373	14	2
Statewide	4.4	679	443	15	1

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.19

AVERAGE REVENUE PER PUPIL BY SOURCE AMONG MISSOURI SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Revenue Per Pupil, 1974-75 Local Sources	County Sources	State Sources	Federal Sources
First	-17.1	$ 625	$ 97	$ 445	$ 81
Second	-10.0	504	96	498	92
Third	- 7.0	460	112	455	46
Fourth	- 4.2	408	104	487	54
Fifth	- .8	374	90	492	44
Sixth	1.6	374	90	510	53
Seventh	4.2	362	95	500	50
Eighth	8.4	360	98	509	44
Ninth	13.4	350	77	517	40
Tenth	29.0	375	75	506	41
Statewide	1.7	420	94	492	54

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.16 (continued)

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75* Average	Standard Deviation	Average Adjusted Assessed Valuation Per Pupil, 1974-75* Average	Standard Deviation
Tenth	28.3	38.5 mills	9.4 mills	16,070	8,463
Statewide	- 6.4	37.8 mills	7.1 mills	17,827	16,854

*Assessed valuations and tax rates have been adjusted by official state assessment ratios in order to obtain comparable levels.

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.17

AVERAGE ADJUSTED SCHOOL TAX RATES AND ADJUSTED ASSESSED VALUATION PER PUPIL AMONG WASHINGTON SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Adjusted School Tax Rates, 1974-75* Average	Standard Deviation	Assessed Valuation Per Pupil, 1974-75* Average	Standard Deviation
First	-28.2	3.8 mills	2.9 mills	$369,946	$706,245
Second	-12.6	5.2 mills	2.7 mills	108,607	121,232
Third	- 8.6	4.9 mills	2.6 mills	87,307	70,548
Fourth	- 5.6	4.1 mills	2.2 mills	146,844	301,836
Fifth	- 2.2	3.1 mills	2.3 mills	80,127	53,031
Sixth	0.9	4.2 mills	3.2 mills	95,514	67,660
Seventh	4.1	3.2 mills	2.5 mills	116,532	127,776
Eighth	8.8	4.0 mills	2.7 mills	85,888	75,538
Ninth	16.9	3.3 mills	2.7 mills	105,771	176,198
Tenth	46.3	2.2 mills	2.0 mills	141,117	210,170
Statewide	2.0	3.8 mills	2.7 mills	134,073	276,647

*Assessed valuations and tax rates have been adjusted by official state assessment ratios in order to obtain comparable levels.

SOURCE: Based on data from the Washington State Department of Education.

TABLE A.20

AVERAGE REVENUE PER PUPIL BY SOURCE AMONG SOUTH DAKOTA SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Revenue Per Pupil, 1974-75 Local Sources	County Sources	State Sources	Federal Sources	Other Sources
First	-24.8	$ 933	$ 8	$ 269	$ 94	$ 36
Second	-17.6	788	7	198	88	13
Third	-14.0	839	10	209	67	17
Fourth	-11.5	803	11	201	71	7
Fifth	- 9.6	738	9	218	60	8
Sixth	- 7.7	777	12	203	81	12
Seventh	- 5.7	650	9	206	165	4
Eighth	- 2.7	764	9	205	107	13
Ninth	1.3	603	10	225	147	33
Tenth	28.3	703	12	204	114	30
Statewide	- 6,4	759	10	214	100	17

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.21

AVERAGE REVENUE PER PUPIL BY SOURCE AMONG WASHINGTON SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Revenue Per Pupil, 1974-75 Local Sources	County Sources	State Sources	Federal Sources	Other Sources
First	-28.2	$1,497	79	$1,165	$ 204	$ 164
Second	-12.6	620	48	672	106	86
Third	- 8.6	461	50	694	103	87
Fourth	- 5.6	434	62	689	93	78
Fifth	- 2.2	328	56	673	210	83
Sixth	0.9	409	70	626	133	87
Seventh	4.1	392	49	654	174	82
Eighth	8.8	365	55	654	202	93
Ninth	16.9	345	46	652	119	69
Tenth	46.3	326	68	792	123	83
Statewide	2.0	518	58	728	147	54

SOURCE: Based on data from the Washington State Department of Education.

TABLE A.22

AVERAGE PUPIL-TEACHER RATIOS AND AVERAGE TEACHER SALARIES AMONG MICHIGAN SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Pupil-Teacher Ratios, 1974-75	Average Change in Pupil-Teacher Ratios, 1970-71 to 1974-75	Average Teacher Salaries, 1974-75	Average Change in Teacher Salaries, 1970-71 to 1974-75
First	-19.4	21.0	- 2.4	$ 14,789	$ 2,567
Second	- 9.[illegible]	21.3	- 1.8	13,145	2,409
Third	- 4.7	21.8	- 1.5	13,191	2,758
Fourth	- 1.8	21.9	- 2.0	12,184	2,170
Fifth	0.9	22.5	- 1.7	12,417	2,221
Sixth	3.9	22.2	- 2.2	12,006	2,409
Seventh	6.6	22.8	- 0.9	12,460	2,488
Eighth	-10.1	22.6	- 1.8	12,241	2,207
Ninth	16.4	23.2	- 1.3	11,980	2,293
Tenth	41.7	22.8	0.8	12,245	2,293
Statewide	4.4	22.2	- 1.4	12,637	2,382

SOURCE: Based on data from the Michigan State Department of Education.

TABLE A.23

AVERAGE PUPIL-TEACHER RATIOS AND AVERAGE TEACHER SALARIES AMONG MISSOURI SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENTS, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Average Pupil-Teacher Ratios, 1974-75	Average Teacher Salaries, 1974-75
First	-17.1	16	$ 8,988
Second	-10.0	16	8,537
Third	- 7.0	16	8,099
Fourth	- 4.2	17	8,156
Fifth	- 0.8	18	8,106
Sixth	1.6	17	8,126
Seventh	4.2	18	8,252
Eighth	8.4	18	8,262
Ninth	13.4	18	8,166
Tenth	29.0	19	8,124
Statewide	1.7	17	8,282

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.24

AVERAGE PUPIL-STAFF RATIOS AND AVERAGE TEACHER SALARIES AMONG WASHINGTON SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN SCHOOL ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment, 1970-71 to 1974-75	Average Pupil-Staff Ratio, 1974-75	Average Change in Pupil-Staff Ratios, 1970-71 to 1974-75	Average Teacher Salaries, 1974-75	Average Change in Teacher Salaries, 1970-71 to 1974-75
First	-28.2	12.8	-2.4	$ 10,689	$ 2,139
Second	-12.6	15.9	-2.0	11,249	1,604
Third	- 8.6	16.4	-1.3	11,910	2,255
Fourth	- 5.6	16.5	-1.6	11,471	2,028
Fifth	- 2.2	17.6	-0.8	11,612	2,114
Sixth	0.9	17.2	-0.9	11,273	2,070
Seventh	4.2	18.3	-0.2	11,044	2,035
Eighth	8.8	18.5	0.4	11,426	2,209
Ninth	16.9	19.8	-0.3	11,093	1,946
Tenth	46.3	19.0	1.9	10,022	1,624
Statewide	2.0	17.2	-0.7	11,178	2,004

SOURCE: Based on data from the Washington State Department of Education.

TABLE A.25

DESCRIPTIVE STATISTICS FOR PERCENT MINORITY STUDENTS AMONG MICHIGAN SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Percent Minority Students, 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	-19.4	8.2	0	84.6	17.0
Second	- 9.0	11.6	0	71.8	19.6
Third	- 4.7	6.9	0.2	92.7	14.4
Fourth	- 1.8	3.4	0	18.9	4.2
Fifth	0.9	4.7	0	92.5	12.7
Sixth	4.0	3.3	0	42.0	6.8
Seventh	6.6	4.2	0	24.3	5.9
Eighth	10.2	4.4	0	52.4	8.4
Ninth	16.4	2.4	0	16.3	3.2
Tenth	41.7	2.3	0	22.2	4.3
Statewide	4.4	5.2	0	92.7	11.4

SOURCE: Based on data from the Michigan State Department of Education

TABLE A.26

DESCRIPTIVE STATISTICS FOR PERCENT MINORITY STUDENTS AMONG MISSOURI SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Deciles	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Percent Minority Students, 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	-17.1	36.1	2.9	98.0	27.7
Second	-10.0	18.5	1.9	66.2	21.5
Third	- 7.0	1.9	1.9	1.9	0
Fourth	- 4.2	6.2	0	14.2	5.9
Fifth	- 0.8	17.6	15.2	20.0	3.4
Sixth	1.6	5.5	5.5	5.5	0
Seventh	4.1	8.7	0	15.6	5.9
Eighth	8.4	2.9	1.8	3.9	1.5
Ninth	13.4	11.8	1.9	21.7	14.0
Tenth	29.0	1.9	1.0	2.5	.8
Statewide	1.7	18.2	0	98.0	22.1

SOURCE: Based on data from the Missouri State Department of Education.

TABLE A.27

DESCRIPTIVE STATISTICS FOR PERCENT MINORITY STUDENTS AMONG SOUTH DAKOTA SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT CHANGE IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Percent Minority Students, 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	-24.8	3.5	0	20.2	6.3
Second	-17.6	1.5	0	13.2	3.3
Third	-14.0	2.7	0	19.2	5.0
Fourth	-11.5	1.4	0	7.2	2.4
Fifth	- 9.6	1.6	0	10.7	2.5
Sixth	- 7.7	2.7	0	22.8	5.0
Seventh	- 5.7	11.8	0	80.6	24.1
Eighth	- 2.7	7.1	0	33.6	10.5
Ninth	1.3	7.8	0	35.1	11.7
Tenth	28.3	6.2	0	84.9	19.3
Statewide	- 6.4	4.7	0	84.9	11.8

SOURCE: Based on data from the South Dakota State Department of Education.

TABLE A.28

DESCRIPTIVE STATISTICS FOR PERCENT MINORITY STUDENTS AMONG WASHINGTON SCHOOL DISTRICTS, 1974-75, BY DECILES OF PERCENT IN STUDENT ENROLLMENT, 1970-71 TO 1974-75

Decile	Average Percent Change in Student Enrollment 1970-71 to 1974-75	Percent Minority Students, 1974-75			
		Average	Minimum	Maximum	Standard Deviation
First	-28.2	4.8	0	25.9	6.4
Second	-12.6	9.2	0	64.5	14.7
Third	- 8.8	10.3	0.5	56.4	11.8
Fourth	- 5.6	7.5	0	57.9	14.3
Fifth	- 2.2	11.8	0	88.2	19.4
Sixth	0.9	7.0	0	71.8	13.2
Seventh	4.1	7.6	0	41.5	10.4
Eighth	8.8	5.9	0	20.1	4.4
Ninth	16.9	8.2	0	97.2	17.8
Tenth	46.3	11.4	0	92.9	20.0
Statewide	2.0	8.4	0	97.2	14.1

SOURCE: Based on data from the Washington State Department of Education.

CHAPTER VII

DECLINING ENROLLMENT: THE CLOUD AND ITS SILVER LINING

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INTRODUCTION

Declining public school enrollment is one of today's most widely discussed education policy problems. It is a prime agenda item at meetings of local school boards, parent-teacher associations, and property taxpayer organizations; it is a common subject of debate among state-elected officials; and it is increasingly the center of attention in media education stories.

Declining enrollment makes good copy. It sometimes raises questions about the continued viability of whole communities; it frequently encourages conflict between interests representing "quality education" and spokesmen for "economical government"; and it threatens the job security of many at a time when employment is hard to find. Occasionally, it simply results in colorful stories. One mid-west school district, for example, gained a substantial notoriety in the early 1970s after declining enrollment forced the sale of its swimming pool for a hog wallow. It is a risky proposition, however, to generalize about declining enrollment on the basis of its most severe and dramatic manifestations.

A mounting body of research on decling enrollment demonstrates that the problem is neither universal nor necessarily deleterious.[1] The problem is highly variable in its severity by region, state, and locality.[2] The problem can bring painful dislocations, but these traumas can be avoided and can provide beneficial "shock therapy."[3] The impact more than anything else depends on the willingness and ability of public officials to act as wise social physicians; that is, to provide an analgesic for the short-run pain of change without dispensing remedies that are worse than the ills at issue.

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[1] Illinois Office of Education, *Report of the Illinois Task Force on Declining Enrollments in the Public Schools* (Springfield, Ill.: October 31, 1975). G. Alan Hickrod *et al.*, *Enrollment Change and Educational Personnel Change in the K-12 Schools of Illinois* (Normal, Ill.:

This chapter is designed to provide state and local officials an overview of the declining enrollment problem and some of the steps that have been taken to deal with it. The first section summarizes what is known about the impact of declining enrollment on the quality and cost of local school operations. The second section amplifies the first with a case analysis of the declining enrollment problem in Iowa. And the third section outlines and analyzes some of the major steps which state legislatures have taken to deal with declining enrollment.

THE IMPACT OF DECLINING ENROLLMENT ON LOCAL SCHOOL OPERATIONS

How will declining enrollments affect public school operations? One popular line of thinking argues that declining enrollment will be highly disruptive and deleterious to quality education. According to this assessment, declining enrollment will result in unmanageable revenue shortfalls, rapidly rising per-student costs, acrimonious labor relations between school boards and teacher groups, and a general deterioration in the services available to schoolchildren. Another common viewpoint, however, foresees quite the opposite. According to this evaluation, declining enrollment will free an increasing amount of funding for educational enrichment, for small classes, for equalized funding, and other long sought improvements in the local school quality. A mounting body of research, however, questions both of these extreme

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Illinois State University, March 1976). Mark Roedekohr, *Adjustment of Colorado School Districts to Declining Enrollments* (Lincoln, Neb.: University of Nebraska, 1973).

[2] National Education Association, *Estimates of School Statistics* (Washington, D.C.: Annual); Alan Odden, *The Fiscal Impact of Declining Enrollments in Four States--Michigan, Missouri, South Dakota, Washington* (Denver, Colo.: Education Commission of the States, 1976), included as Chapter VI in this book; and William H. Wilken and John J. Callahan, *An Assessment of the Tax and Expenditure Equity of Iowa's School Finance System* (Washington, D.C.: National Conference of State Legislatures, February 23, 1976).

[3] National School Boards Association, *Declining Enrollment*, Report 1976-1 (Washington, D.C.: 1976).

views. It finds instead that declining enrollment has had very mixed effects and, overall, has failed thusfar to provoke any major shifts in the quality and character of local school services.

Declining Enrollment and School Finances

Nationwide, there is little evidence that declining enrollment is producing any drastic change in educational expenditures. Between 1972 and 1976, public school enrollment fell about 4.5 percent.[4] Public school expenditures, in contrast, went up 56.0 percent when measured on a total dollar basis and by 62.4 percent when normed by average daily attendance.[5] Using states as the unit of observation, the association between changes in enrollment and changes in expenditures is next to nill. As Table 7.1 shows, states with declining enrollment exhibited virtually the same percentage increase in per student expenditures as states with rising enrollment.

While frustrating to some, the lack of a one-to-one correspondence between changes in enrollment and the movement of school expenditures has been the result of at least four influences: rising prices; rising professional employment; fixed charges; and service delivery methods.

Expenditure Adjustment and Price Inflation

Between 1971 and 1976, the Consumer Price Index rose from 121.3 to 169.2; the Wholesale Price Index increased from 113.8 to 184.9. Even more significant, items that are of substantial consequence to school budgets were among those exhibiting the most rapid price increases. Wholesale prices of refined petroleum went from 106.8 to 266.8; electricity jumped from 113.6 to 204.9; paper went from 114.1 to 181.7, and so forth.[6]

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[4] Calculated on the basis of data in: U.S. Bureau of the Census, *Statistical Abstract of the United States, 1974* (Washington, D.C.: 1974), Table 171; and, National Education Association, *Estimates of School Statistics, 1976* (Washington, D.C.: 1976), Table 4.

[5] National Education Association, *Estimates 1972-73*, Table 5, and *Estimates, 1975-76*, Table 11.

[6] U.S. Department of Labor, *Monthly Labor Review*, Tables 22 and 26 (May 1976, December 1971, and March 1977).

TABLE 7.1

CHANGE IN PUBLIC ELEMENTARY AND SECONDARY SCHOOL EXPENDITURES AND AVERAGE DAILY ATTENDANCE, 1971-76

		Percent Change Current Expenditures FY 1971-76	
Area	% Change ADA by State FY 1971-76	Total	Per ADA
United States, Total	- 2.3	56.0	62.4
Alabama	- 5.4	95.2	105.9
Alaska	7.7	64.1	52.5
Arizona	13.5	90.7	67.9
Arkansas	- 0.7	77.0	78.2
California	- 8.7	49.6	63.9
Colorado	2.9	78.8	73.6
Connecticut	- 1.1	54.3	58.0
Delaware	- 4.4	49.2	56.1
District of Columbia	--	--	--
Florida	9.6	78.6	62.9
Georgia	- 1.8	55.0	57.6
Hawaii	- 1.8	16.4	18.5
Idaho	7.0	73.7	62.5
Illinois	- 3.2	43.7	48.5
Indiana	- 6.2	41.3	50.6
Iowa	-10.1	42.2	58.4
Kansas	-11.1	53.9	73.1
Kentucky	- 3.0	52.9	57.8
Louisiana	- 1.9	33.1	35.8
Maine	- 0.4	55.4	56.1
Maryland	- 3.8	66.4	73.0
Massachusetts	14.3	84.7	61.6
Michigan	- 1.6	30.4	32.5
Minnesota	- 1.6	66.6	69.4
Mississippi	- 3.1	59.5	65.3
Missouri	- 5.4	49.5	58.1
Montana	0.9	88.8	86.9
Nebraska	- 6.3	86.9	99.6
Nevada	8.0	68.6	56.1
New Hampshire	11.0	51.3	36.2

TABLE 7.1 (continued)

Area	% Change ADA by State FY 1971-76	Percent Change Current Expenditures FY 1971-76	
		Total	Per ADA
New Jersey	- 1.5	60.3	62.7
New Mexico	1.1	73.4	71.6
New York	- 3.3	52.6	57.8
North Carolina	0.9	61.3	60.0
North Dakota	-10.4	52.1	69.8
Ohio	- 6.4	49.3	59.4
Oklahoma	- 2.5	82.8	87.5
Oregon	- 3.0	56.5	61.3
Pennsylvania	- 6.5	60.5	71.6
Rhode Island	- 4.9	57.7	65.7
South Carolina	- 4.1	57.6	64.2
South Dakota	- 9.2	38.4	52.4
Tennessee	- 2.4	51.8	55.5
Texas	1.8	65.1	62.3
Utah	0.2	67.0	66.7
Vermont	- 1.5	25.2	27.1
Virginia	0.3	59.0	58.4
Washington	- 4.5	66.6	74.3
West Virginia	- 0.5	57.5	58.4
Wisconsin	- 3.8	53.7	59.7
Wyoming	- 2.9	68.8	73.9

Expenditure Adjustment and Rising Professional Employment

A second force contributing to the rise of educational expenditures has been the continuing expansion of the public school professional workforce. Between 1971 and 1975, the nation's public schools increased their number of classroom teachers by 5.3 percent and their total instructional staff by 6.8 percent.[7] As Table 7.2 indicates, however, the areas of the country experiencing the greatest enrollment decreases have been hiring very little additional staff, and in some cases have been reducing staff.

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[7] National Education Association, *Estimates 1971-72*, Table 5 and *Estimates 1975-76*, Table 5.

TABLE 7.2

PERCENT CHANGE IN PUBLIC EDUCATION PERSONNEL BY STAFF CATEGORY BY STATE, 1970-71 TO 1974-75

Region and State	Elementary School Teachers	Secondary School Teachers	Total Classroom Teachers	Total Instructional Staff	Exhibit: Percent Change in Total Public K-12 Enrollment 1970-1974
United States and D.C.	3.6	7.4	5.3	6.8	- 1.7
New England	2.3	31.7	14.5	18.1	1.1
Connecticut	-11.1	55.7	9.7	8.9	- 0.2
Maine	- 3.2	23.3	5.8	9.1	0.1
Massachusetts	12.4	33.7	22.6	29.5	2.6
New Hampshire	15.8	21.7	18.4	18.4	9.6
Rhode Island	9.9	4.5	3.3	5.6	- 4.8
Vermont	- 4.7	6.9	1.0	5.9	- 6.5
Mideast	2.3	9.3	5.6	6.0	- 2.4
Delaware	-11.5	8.3	5.2	7.0	- 1.6
Maryland	4.0	12.4	8.0	8.1	- 2.1
New Jersey	10.5	11.7	11.0	11.5	- 1.0
New York	- 1.3	7.0	2.0	2.7	- 1.8
Pennsylvania	2.5	10.4	6.4	8.0	- 3.7
Southeast	9.6	8.7	9.2	9.6	1.5
Alabama	6.7	6.4	6.5	7.6	- 4.9
Arkansas	3.7	4.0	3.9	10.6	3.0
Florida	14.2	18.3	16.2	17.3	18.2
Georgia	7.0	7.4	7.1	5.9	- 1.6

TABLE 7.2 (continued)

Region and State	Elementary School Teachers	Secondary School Teachers	Total Classroom Teachers	Total Instructional Staff	Exhibit: Percent Change In Total Public K-12 Enrollment 1970-1974
Southeast (cont'd)					
Kentucky	7.9	4.3	6.5	5.8	- 1.8
Louisiana	6.8	6.5	6.7	6.4	0.0
Mississippi	8.1	3.7	6.1	7.1	- 3.9
North Carolina	8.5	13.4	10.1	9.6	- 1.2
South Carolina	4.4	- 7.4	- 0.7	- 0.6	- 1.9
Tennessee	14.0	5.3	10.5	10.9	- 3.0
Virginia	12.0	12.7	12.3	12.4	1.4
West Virginia	21.0	13.6	17.5	16.2	1.2
Great Lakes	- 0.8	- 0.3	- 1.5	2.8	- 2.9
Illinois	- 4.4	8.0	0.6	4.8	- 2.6
Indiana	- 1.9	2.7	0.4	- 0.5	- 3.7
Michigan	10.1	-19.3	- 7.3	0.8	- 1.9
Ohio	- 3.7	2.6	- 0.8	5.0	- 4.2
Wisconsin	- 0.8	1.9	0.5	1.0	- 2.0
Plains	0.1	9.1	4.3	4.9	- 7.2
Iowa	- 4.7	6.5	0.7	- 1.2	- 6.4
Kansas	5.4	- 7.5	- 1.0	0.2	-12.7
Minnesota	- 4.1	10.0	3.2	4.5	- 3.4
Missouri	1.8	20.2	10.3	12.3	- 9.1
Nebraska	4.2	12.3	8.0	7.3	- 3.9
North Dakota	7.9	10.4	8.9	9.3	- 9.4
South Dakota	- 2.0	0.3	- 1.2	- 1.4	- 7.6

TABLE 7.2 (continued)

Region and State	Elementary School Teachers	Secondary School Teachers	Total Classroom Teachers	Total Instructional Staff	Exhibit: Percent Change in Total Public K-12 Enrollment 1970-1974
Southwest	9.6	10.9	10.1	11.8	1.9
Arizona	14.1	11.5	13.3	17.5	11.3
New Mexico	6.2	8.2	7.2	6.5	- 6.0
Oklahoma	3.1	13.1	7.7	7.8	- 4.5
Texas	10.4	10.6	10.5	12.3	2.7
Rocky Mountains	5.1	10.7	7.9	8.1	1.7
Colorado	9.8	10.2	10.0	11.7	3.3
Idaho	8.2	14.0	11.2	7.4	2.9
Montana	- 7.2	13.8	10.1	2.7	- 1.6
Utah	8.9	9.4	9.2	5.9	0.8
Wyoming	- 3.8	6.4	1.2	5.4	- 0.4
Far West	0.1	3.7	1.6	2.1	- 4.7
Alaska	-14.4	41.2	7.0	10.5	7.4
California	0.2	4.5	1.9	1.3	- 5.8
Hawaii	- 5.6	0.8	- 3.0	- 3.6	- 1.8
Nevada	5.5	16.8	10.6	11.7	7.4
		6.2	2.1	5.7	- 0.6

Not surprisingly, many have wondered why public schools continue to hire additional staff in the face of the declining pupil population. Sometimes, the primary cause is simply questionable school management. A recent study of school funding in Maryland, for example, suggests that some localities are finding it difficult to adjust to the reality of declining enrollment. Staff increases in many instances, however, can be attributed primarily to the expansion of state and federal categorical service mandates. In Illinois, for example, the number of regular classroom teachers has increased very little. Yet, as Table 7.3 shows, the number of special class teachers and support staff has grown substantially--62 percent between 1970 and 1974 alone.

TABLE 7.3

CHANGE IN NUMBER OF PROFESSIONAL STAFF BY CATEGORY IN ILLINOIS UNIT DISTRICTS,* FY 1969 TO FY 1973

	Number of Professional Staff			
Personnel Category	1970	1974	Change	Percent Change
Regular Teachers	33,022	32,781	- 211	-0.67
Special Teachers & Supporting Staff	5,863	9,474	3,611	61.5
Administrators	3,422	3,731	309	9.03

*Illinois has three categories of school districts, each completely autonomous from the others: unit districts (K-12), elementary districts, and high school districts.

SOURCE: G. Alan Hickrod *et al.*, *Enrollment Change and Educational Personnel Change in the K-12 Schools of Illinois* (Normal, Ill.: Illinois State University, March 1976).

Significantly, instructional staff salaries nationwide have grown at a substantially lower rate than most other major school budget components. One indication of this trend is the level of teacher salaries in constant or real dollars. According to the National Education Association, the average teacher salary for 1976 is only 10.4 percent greater than the average teacher salary a decade earlier, allowing for the reduced purchasing power of the dollar.[8] Another indicator is the shrinking percentage of school outlays going to instructional costs. Instructional expenditures in 1970 comprised 66.8 percent of current public school outlays. By 1974, they amounted to 64.8 percent.[9] No other major component of local school budgets has suffered such a decline in relative importance. There is some reason to doubt, however, that this trend can continue indefinitely.

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[8] National Education Association, *Estimates, 1974-75*, Table 8.

As enrollments have fallen, there has been an almost inevitable pressure against rapid increases in school staff salary levels. But equally important, there has been a decreasing demand for new teachers and a tendency to make any necessary reductions in force beyond natural attrition on a last-hired, first-fired basis. As a result, some communities are beginning to accumulate a professional work force that is not only older and better-educated, but also more expensive per classroom unit.

This trend is widespread. New York City represents one of the most extreme cases--its declining enrollment and severe fiscal straits having provoked an increase in the median age of its teacher workforce from under 30 years old in the early 1970s to over 40 years old at present. The situation in Michigan, however, is more typical. As Table 7.4 reveals, 47.0 percent of all Michigan teachers in 1970 had five years experience or less; by 1975, the proportion had dropped to 38.4 percent. Nationwide, between 1970 and 1974, the number of secondary school teachers with three years experience or less dropped nearly 5 percentage points, while, as Table 7.5 shows, the number of elementary school teachers with a master's degree rose over 9 percentage points.

TABLE 7.4

CHANGE IN DISTRIBUTION OF MICHIGAN PUBLIC SCHOOL TEACHERS BY YEARS OF EXPERIENCE, 1970 AND 1975

	5 Years and Under	6-10 Years	11-15 Years	16-20 Years	21-30 Years	Over 30 Years
1969-70	47.0	19.5	12.4	8.6	8.3	4.3
1974-75	38.4	25.5	15.1	9.4	9.2	2.4
Percent Change	- 8.6	+ 6.0	+ 2.7	+ 0.8	+ 0.9	- 1.9

SOURCE: NCSL calculations based on Table 2 of Michigan Education Association's *Report: Michigan Public School Professional Personnel* (Lansing, Mich.: MEA, September 1970 and 1975).

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[9] U.S. Bureau of the Census, *Statistical Abstract of the United States, 1976* (Washington, D.C.: 1976).

TABLE 7.5

PUBLIC ELEMENTARY AND SECONDARY SCHOOLS--CLASSROOM TEACHERS BY EXPERIENCE AND DEGREES HELD: 1964 TO 1974*

	1964		1970		1974	
	Elementary	Secondary	Elementary	Secondary	Elementary	Secondary
Percent with teaching experience of:						
1-3 years	16.9	22.5	22.0	26.1	19.3	21.3
4-6 years	14.3	18.1	15.9	20.5	21.8	19.7
7-9 years	10.1	11.2	11.7	10.6	16.1	15.4
10-14 years	15.3	15.8	15.0	16.5	15.1	17.1
15-19 years	11.6	11.2	10.7	9.6	10.5	12.3
20 years or more	31.8	21.1	24.8	16.7	17.2	14.4
Percent, highest degree held:						
No degree	3.8	0.4	0.9	0.7	1.5	0.6
2-year degree	12.1	0.6	5.0	0.5		
Bachelor's degree	66.7	62.6	72.0	59.2	66.3	54.4
Master's degree	16.6	33.5	20.5	37.2	29.7	40.8
Professional degree, 6 years	0.7	2.4	1.4	2.1	2.4	3.6
Doctor's degree	0.1	0.4	0.2	0.3	0.6	0.8

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*As of spring of year. Based on sample and subject to sampling variability.

SOURCE: U.S. Bureau of the Census, *Statistical Abstract of the United States: 1975*, 96th ed (Washington, D.C.: 1975), Table 215.

Expenditure Adjustments and Fixed Charges

Another factor affecting the relationship between spending and enrollment is the inability of local schools to reduce their fixed charges. Regardless of the number of pupils they have enrolled, almost all school districts must contribute to teacher retirement funds, pay Social Security taxes, and provide for certain types of insurance. The amount of local school budgets claimed by these charges, however, has been climbing alarmingly. In 1970, they amounted to 9.4 percent of local school spending; by 1974, they jumped to 11.2 percent--a percentage point increase almost as great as during the previous decade.[10] No other major component of current school spending has been escalating so rapidly.

One important factor behind this growth in many states is the fiscal psychology which seems closely associated with declining enrollment. Recognizing that declining enrollment and other factors have made the public less inclined to support substantial salary increases, representatives of teacher bargaining groups have frequently deemphasized demands for highly visible wage boosts and have pressed instead for additional fringe benefits, particularly retirement plans. Retirement plans, however, are usually the subject of statewide bargaining rather than of local negotiation. As a result, the great majority of retirement costs cannot be controlled at the local level. The contributions are set by mandate.

Expenditure Adjustments and Service Delivery Methods

Most public school expenditures, of course, are not fixed. Unlike state or federally-mandated pension costs, they can be reduced as enrollment falls if there is a will to do it. The problem, however, is that the traditional method of organizing and delivering public school services frequently casts doubt on the educational prudence of such cutbacks.

Except for a very small percentage, public school pupils are provided education on a collective basis rather than individually. Schools are organized to serve pupils by age, by grade, by attendance area, and by subject area. In economic parlance, education is provided essentially as an indivisible "public good" rather than as a perfectly divisible "private good."

Few expenditures can be tied directly and exclusively to individual pupils. Among the few expenditures that can be allocated to individuals are outlays for art supplies, paper and pencils, testing forms, new textbooks, or school lunches. As a recent Illinois study points out, however, expenditures of this sort rarely comprise more than about 13 percent of local school budgets.[11]

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[10] *Ibid.*

[11] State of Illinois, Office of Education, *Report of the Illinois Task Force on Declining Enrollment in the Public Schools* (Springfield, Ill.: October 31, 1975), p. 27.

The collective nature of school services makes the ability of local school systems to cut expenditures during a period of declining enrollments almost inescapably contingent on how enrollments shift by attendance area, grade level, subject matter, or similar educationally relevant groupings. Imagine, for example, a twelve-grade school district of 2,000 pupils that experiences a 5 percent loss in enrollment over a two-year period. If this loss is divided evenly by grade level and year, each grade will experience an enrollment decline of just over four pupils. A school district with 2,000 pupils, however, is likely to have at least seven classroom sections in its elementary division and a much larger number of subject divisions in its secondary division. Accordingly, each classroom is likely to experience an enrollment decline of no more than one pupil, a situation which would make cutbacks in such major expenditure items as teacher compensation virtually impossible.

Had this enrollment loss been concentrated entirely at the first- and second-grade level, however, the situation would have been very different. This would have raised the average loss per grade level to twenty-five pupils per year, a number which under most circumstances would make it possible to eliminate two classroom units each year. But there could be complications even then. Suppose the elementary division were divided into neighborhood attendance areas that were separated by substantial distances. Then, the average loss per grade level in each attendance area might be well under four pupils. Some economies could be achieved by consolidating attendance areas, but the magnitude of the cutbacks might be compromised substantially by an associated need to increase pupil transportation services.

Taking such considerations into account, one recent analysis of declining enrollment indicates that it may be unreasonable to expect declining enrollment to bring about a reduction in local school operating costs except over a period of about eight to ten years.[12] In the year following the loss of a pupil, a school district is rarely able to save much more than the cost of those items previously mentioned that benefit individual students. Savings in the next two to five years are likely to be substantially larger, equal perhaps to about 50 percent of the average per pupil cost multiplied by the number of pupils initially lost. By this time, however, there is a sufficient cumulative drop in enrollment to make at least an initial cutback in staff and other major variable cost items. Further savings are likely in the next six to ten years as enrollment losses mount to the point where substantial cutbacks in variable cost items are possible. There is a growing body of evidence, however, which suggests that savings will never equal 100 percent except over very long periods of time. Facility costs, in particular, are almost wholly resistant to reduction and constitute at least 20 percent of most local school budgets.[13]

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[12] *Ibid.*

Labor Relations: Job Security, Class Size, Bargaining Strategies

Declining enrollments also have had a decided impact on labor relations and collective bargaining. Because of declining enrollment, the emphasis in bargaining is less on dollars and more on jobs and job security. The pressure has been for tenure, working conditions--specifically class-size gains, and a greater voice in determining curriculum. Unions, by nature, are political organizations requiring membership, and at times of economic distress may be more concerned about job security than increasing salaries.[14]

Reflecting teacher anxiety over job security, more and more states and localities are under pressure to adopt policies which provide for reductions in force by strict seniority. Administrators are less and less able to make staff adjustments according to merit or need. Teacher unions, on the other hand, see no alternative. Job preservation is an overriding concern. As the Illinois Education Association argues, "all possible cuts in non-instructional personnel, administrative staff, extra-curricular programs, transportation, materials, and other non-essential expenditures should be made prior to reducing the teaching force."[15]

The impact of seniority-based reductions can clearly be perverse. In one school district, we found that a staff position in vocational education had to be eliminated because of declining enrollment. The teacher to be cut, however, had greater seniority than most employees of the district. By previous agreement, he was eligible to teach his certified minor subject, English, if there were a less senior teacher in that area. Therefore, even though he had never taught English, he not only bumped a less senior English teacher, but also became department chairman because of his overall level of tenure.

The concentration of experienced staff also changes bargaining strategies for salary increases. As staff experience increases, the interests of staff at the upper end of the salary scale tend to have greater weight. Since the majority of the teachers are at the upper end of the salary scale, negotiators concentrate their efforts on their interests. Agreements, therefore, are geared frequently for higher salaries and benefits for the veteran employee with less emphasis on the newer minority, the less experienced teacher. For example, Philadelphia's last negotiated school district agreement included no changes in the incoming teachers' salary schedule; salary increases were only for current employees.

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[13] *Ibid.*

[14] The behavior of unions on the wage-security trade-off has not been invariant. Indeed, many unions have made an explicit decision to pursue high wages even when it has been well-recognized that one consequence would be fewer jobs, John L. Lewis and the United Mine Workers being one of the clearest examples.

[15] Illinois Education Association, "IEA Task Force on Declining Enrollment: Position Paper," draft (Springfield, Ill.: January 11, 1976).

Educational Quality

Enrollment declines have not always been detrimental to the educational program in many districts. Curricular programs have not been eliminated to the extent often alleged. A case study of a cross section of declining districts in Minnesota showed that while there have been staff cutbacks, program cutbacks have not resulted.[16] Rather, local districts are adjusting by offering courses for half-years or only one semester per year to fill the losses, instead of cancelling a program because there are not enough students to demand extra programs. High-spending, high-wealth districts, however, have been much more immune to enrollment losses than their lower-spending and poorer neighbors. Nevertheless, there is no assurance that this inelasticity will be able to endure in the face of the much greater rates of loss that will occur over the next five years.

A study of declining enrollment's impact in Colorado school districts noted that the greater the decrease of a district's enrollment, the lower its drop-out rate and the higher its achievement scores.[17] One explanation was that there is less economic activity in these areas, so there is less of an economic incentive for pupils to drop out. Another reason is that districts with enrollment decline are "more anxious" to hold on to their students to avoid losing state aid. Therefore, rather than expelling a child, they will suspend him, and rather than suspending a child, they will place him into an alternative program. The reasons for the improved test scores generally revolve around more individualized attention from staff and more competitiveness among a smaller student population.

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[16] State of Minnesota, State Planning Agency, *Managing School Districts with Declining Enrollments* (St. Paul, Minn.: University of Minnesota, April 1976).

[17] Mark Roedekohr, *Adjustments of Colorado School District to Declining Enrollments* (Lincoln, Neb.: University of Nebraska, 1973).

When asked to review the costs and benefits of enrollment losses, school policymakers and education experts interviewed in several midwestern states were highly consistent in their responses.[10] One benefit commonly described was lower pupil-teacher ratios. Another was the advantage of more space for programs otherwise conducted in inappropriate environments or not available at all. A third advantage, though not as prevalent as the others, was the increased quality in teaching staff--essentially because of the greater choice available when hiring new staff. The major detrimental effect enrollment decline has on education is caused by financial and economic factors inhibiting innovation and expansion in the school program. The political pressures of maintaining the *status quo*, not laying off teachers, and not closing inefficient facilities are other negative aspects of decline.

School Facilities and School District Reorganization

Renewed discussion of school district reorganization is one of the clearest outcomes of declining enrollment thusfar. One facet of this discussion focuses on the need for reorganization of local attendance areas and grade divisions. The other concentrates on the more difficult issue of school district consolidation.

Local Reorganization

Local school districts have been reducing the number of school buildings they support. In nearly every case, community sentiments against school closing run high. Without long-range planning and strong citizen participation, the likelihood of closing a school building is small. Some districts have been successful in making these adjustments and some children formerly in underutilized and unsafe buildings have been relocated. Other districts prefer to shift central administrative offices to sections of classroom buildings, rather than moving children. And still others re-evaluate and revamp their programs to expand to unused space by implementing ungraded classes, double or split classes, separate music and art rooms, improved special and vocational education, and more community services.

Another common reorganization plan is to change the grade level organization of school buildings. Because certain grade levels may be experiencing peak enrollments while others are declining, it may be possible to close older and less efficient buildings. For instance, rather than grades grouped as K-6, 7-9, and 10-12, a district may benefit by restructuring the groups on a K-5, 6-8, and 9-12, or K-8 and 9-12 basis.

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[10] Interview conducted by Legislator's Education Action Project, July 1976, in Illinois, Iowa, Kansas, Michigan, and Minnesota.

School District Consolidation

The debate over consolidation focuses both on the quality of school programs and the optionization of education costs. First, it is often claimed that districts with fewer than 1250-1500 pupils do not justify their inherent cost/quality relationship. Smaller districts cannot afford their extremely low staff-pupil ratio, and they cannot easily maintain buildings servicing fewer than 100 students.

But consolidation is not always a viable solution. Citizens are concerned with how consolidation will affect their taxes and property values. Second, closing buildings or creating larger school districts may not always produce significant cost reductions because potential savings are often translated into increased salaries, a characteristic of larger school systems, and increased transportation costs, especially in the short-run. Third, many legislators and educators refer to the advantage of small schools: smaller classes, individualized instruction, and a healthier competitive environment. For example, smaller schools encourage a much greater level of participation in school activities and government than larger school systems. And finally, schools in many rural areas are community centers.

Therefore, rather than mandating consolidation, states have been allowing districts to use cooperative agencies. For provision of services too costly for local units, Iowa has established Area Education Agencies; Illinois and Michigan have Regional Districts; and Minnesota has Educational Cooperative Service Units. These units are essentially a pool of fiscal resources from participating districts with the state offering the services of cooperative purchasing and vocational and special education. Districts, however, are still reluctant to use these units unless there is no other service alternative.

DECLINING ENROLLMENT IN IOWA

Between 1972 and 1975, Iowa lost a greater share of its public school enrollment than any other state. The ensuing dislocations to educational services and finances in some communities were considerable. Staff was cut back, labor relations became much more irascible, curriculum offerings were curtailed, and plant maintenance was deferred to a level that cannot be sustained over long periods of time without serious economic consequences. Most localities, however, have not suffered these difficulties. Indeed, many localities with declining enrollments report no significant ill-effects and a significant number indicate that they are better off now than several years ago.[19]

Declining enrollment in Iowa has brought both a public policy cloud and a silver lining. While it has required some localities to make painful transitions, it has provided a powerful impetus for important developments at both the local and state level that have contributed to a material improvement in the quality and equality of educational services received by most schoolchildren.

Iowa Enrollment Trends

Iowa public school enrollment reached an apex of 660,000 in 1970. Since then, it has been falling at a generally increasing rate.[20] Between 1970 and 1975, it dropped by a total of 8 percent; between 1976 and 1981, it is likely to decline at an average rate of about 3 percent per year.[21] Thereafter, the rate of loss seems likely to slacken, but, as Table 7.6 shows, will be sufficient to ensure a public school population in the late 1980s and early 1990s that should comprise only about 75 percent of the current total.

Iowa's enrollment losses stem from an out-migration rate that is one of the highest among all states and from a low birth rate. Between 1950 and 1970, Iowa lost nearly 20 percent of its young-adult population through out-migration. One consequence of this outflow, as Table 7.7 shows, has been a fifteen-year decline in the state birth rate.

Given its extraordinarily high level of social homogeneity, one might expect to find Iowa's enrollment losses scattered somewhat more evenly than has been observed in some other states. This, however, has not been the case. Declining enrollment has been distributed very unevenly. While the average school district in Iowa had about 5 percent fewer children to educate in 1975 than in 1972, 30 percent of all districts had at least 9 percent less, and as Table 7.8 shows, 10 percent of all districts experienced losses ranging from almost 14 percent to over 28 percent. At the other end of the spectrum, 20

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[19] Wilken and Callahan, Chapter IV.

[20] *Ibid.* [21] *Ibid.*, IV-9.

TABLE 7.6

ACTUAL AND ESTIMATED CHANGE IN IOWA PUBLIC SCHOOL ENROLLMENT, 1940 TO 1986

Year	Total Public Headcount Enrollment	Percent of Peak Year Enrollment 1970	Percent Change From Previous Year Indicated
1940	476,799	72.3	--
1950	455,132	69.0	(4.5)
1960	577,735	87.6	26.9
1965	625,346	94.8	8.2
1970	659,569	100.0	5.5
1971	652,518	98.9	- 1.1
1972	646,494	98.5	- 0.9
1973	630,841	95.6	- 2.4
1974	617,080	93.6	- 2.2
1975	604,933	91.7	- 2.0
1976	590,600	89.5	- 2.4
1977	571,090	86.6	- 3.3
1978	550,193	83.4	- 3.7
1979	532,045	80.7	- 3.3
1980	516,852	78.4	- 2.9
1981	505,172	76.6	- 2.3
1982	495,936	75.2	- 1.8
1983	495,741	75.2	0.0
1984	490,356	74.3	- 1.1
1985	490,173	74.3	0.0
1986	490,395	74.4	0.0

SOURCE: 1940-1975, Wayne P. Truesdell, "Financing Iowa Schools" (Cedar Falls, Iowa: University of Northern Iowa, October 19, 1975), p. 9. Mimeographed. 1976-1986, Wayne P. Truesdell, "Public School Enrollments: When Will the Annual Decline Stop?" (July 31, 1975), mimeographed.

percent of all Iowa school districts experienced enrollment increases ranging from less than 1 percent to over 55 percent.[22]

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[22] *Ibid.*, p. IV-10.

TABLE 7.7

BIRTH AND DEATH RATES PER 1,000 POPULATION FOR IOWA, MID-WEST AND UNITED STATES, 1962 TO 1974

	Birth Rates			Death Rates		
Year	Iowa	Mid-west*	U.S.	Iowa	Mid-west*	U.S.
1960	23.3	24.0	23.7	10.4	10.1	9.5
1970	17.4	17.6	18.2	10.4	10.1	9.4
1971	15.8	16.3**	17.3	10.3	9.9***	9.3
1972	14.2	14.9**	15.6	10.4	10.1***	9.4
1973	14.2	14.2**	14.9**	10.1	9.9***	9.4***
1974	13.4	NA	NA	9.9	NA	NA

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*Includes: Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas.

**From U.S. Bureau of the Census, *Statistical Abstract of the United States: 1975*, 96th ed. (Washington, D.C.: 1975), Table 73.

****Ibid.*, Table 87.

SOURCE: Iowa Department of Public Instruction, *Population/Enrollment Trends: Implications for Iowa's Area Schools.* Slide/tape presentation.

TABLE 7.8

PERCENT CHANGE IN HEADCOUNT ENROLLMENT BY SCHOOL DISTRICT DECILE, SEPTEMBER 1971 TO JANUARY 1975*

	Estimated Percent Change in K-12 Headcount Enrollment September 1971 to January 1975			
Decile	Average	Minimum	Maximum	Variation Index**
Total	- 5.3	0.1	55.0	147.2
1	-16.7	-13.7	-28.9	19.1
2	-12.1	-10.7	-13.6	6.6
3	- 9.8	- 9.1	-10.6	4.1
4	- 8.4	- 7.7	- 9.1	4.8
5	- 6.9	- 6.2	- 7.6	5.8
6	- 5.2	- 4.3	- 6.2	11.5
7	- 3.5	- 2.7	- 4.2	14.2
8	- 1.5	- 0.1	- 2.7	53.3
9	1.8	0.1	3.4	55.5
10	10.3	3.5	55.0	86.4

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*NCSL calculations based on data from Iowa Department of Public Instruction and Iowa Comptroller's Office.

**Coefficient of variation.

Enrollment Losses and School District Size

As Table 7.9 reveals, there is a relationship between school district size and degree of enrollment loss but not a strong linear one. Generally speaking, small districts have lost the greatest proportion of their enrollment, moderate size districts have lost the least, and large districts have fallen in between. With the exception of school districts with 500 to 749 pupils, school districts with less than 1,000 pupils in 1975 commonly had only about 88 percent of their 1970 enrollment. With the exception of districts with 1,500 to 1,999 pupils, school districts with 1,000 to 2,999 pupils in 1975 generally had at least 96 percent of their 1970 enrollment. Districts with 3,000 pupils or more in 1975 had about 93 percent of their 1970 enrollment.

Enrollment losses will remain relatively high in the state's smallest school districts for at least the next five years. But as Table 7.10 reveals, the overall pattern of decline by school district size will be somewhat different than it has been over the last few years. While school districts in the 500 to 749 enrollment class and school districts in the 1,000 to 1,499 class will continue to exhibit high enrollment stability, those with 2,000 pupils and over will experience severe losses. Districts with 2,000 to 2,999 pupils should average only about 89 percent of their 1975 enrollment. Even worse, districts with 3,000 pupils or more are unlikely to have more than 85 percent of their 1975 enrollment. Perhaps complicating matters politically, these losses will fall much more in some parts of the state than in others. Districts in the northwest section of the state will be affected most adversely. In contrast, the northeastern part of Iowa will experience the smallest loss.

Enrollment Losses and School District Finances

Fortunately, Iowa's most severe enrollment drops tend to concentrate in high-wealth school districts. As Table 7.11 shows, the districts that had 1970-75 enrollment losses ranking in the top 10 percent had a per-pupil income level that was 9 percent greater than the state average, and a valuation increase between 1976-77 that was 13 percent greater than state average. In contrast, the districts that ranked in the top 10 percent of enrollment growth had a per-pupil income 6 percent less than the state average, per-pupil assessed valuation that was 14 percent less than the state average, and valuation increases between 1976 and 1977 that were 14 percent less than the state average.

Districts most severely afflicted with enrollment declines are also those with high expenditures, as shown in Table 7.12. Current expenditures per pupil in the forty-five highest enrollment-loss

TABLE 7.9

PUBLIC FY 1975 SEPTEMBER ENROLLMENT AS A PERCENT OF PUBLIC FY 1970 SEPTEMBER ENROLLMENT BY GRADE LEVEL*

	School District Enrollment							
Grade Level	Under 500	500 to 749	750 to 999	1,000 to 1,499	1,500 to 1,999	2,000 to 2,999	Over 3,000	Total
K-12	88.8	97.3	88.1	99.1	90.6	96.3	93.3	93.5
K	77.7	89.8	78.7	86.6	82.6	83.7	80.8	82.1
1	77.1	85.7	76.7	83.8	76.1	84.1	79.2	80.1
2	75.7	83.6	76.2	83.2	76.6	82.5	80.9	80.3
3	79.9	82.6	77.2	86.5	75.8	81.6	79.2	80.1
4	80.7	88.2	79.5	93.2	83.6	87.9	87.5	86.5
5	89.0	95.2	85.7	96.6	95.4	96.8	93.8	93.4
6	97.5	104.0	94.9	107.4	99.6	105.0	104.0	102.7
7	98.9	107.8	96.6	111.5	101.4	107.4	106.0	104.9
8	99.8	111.5	97.7	116.6	101.9	111.3	106.3	106.6
9	95.9	108.1	99.8	102.7	99.0	104.2	103.7	103.5
10	[illegible]	108.4	98.3	110.1	96.3	106.5	104.1	103.4
11	92.2	99.3	91.4	103.9	98.4	101.5	99.4	98.5
12	92.6	98.9	93.6	101.3	91.2	101.4	98.4	97.1

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*NCSL calculations based on data from Iowa Department of Public Instruction. These data are net of county special education pupils.

TABLE 7.10

PROJECTED PUBLIC FY 1980 SEPTEMBER ENROLLMENT AS A PERCENT OF ACTUAL PUBLIC FY 1975 SEPTEMBER ENROLLMENT BY GRADE LEVEL*

Grade Level	School District Enrollment Size Class Under 500	500 to 749	750 to 999	1,000 to 1,499	1,500 to 1,999	2,000 to 2,999	Over 3,000	Total
K-12	86.6	96.2	79.9	94.6	85.9	88.5	84.6	87.2
K	86.7	94.4	79.9	87.9	81.7	78.7	71.8	77.3
1	83.2	91.5	69.9	85.5	82.0	76.8	75.3	78.6
2	97.1	102.2	84.0	101.1	94.0	93.5	85.5	90.0
3	93.7	110.4	84.1	97.9	81.2	97.8	87.1	92.8
4	90.9	96.8	81.9	94.4	86.5	90.3	87.0	88.4
5	80.8	93.0	76.2	90.9	81.1	86.8	81.5	85.2
6	77.6	88.8	74.1	87.8	78.6	81.3	78.0	79.8
7	74.6	85.5	75.0	85.6	76.1	80.4	79.6	75.8
8	80.1	85.3	74.2	87.6	74.3	81.0	78.8	79.9
9	80.6	91.4	77.4	102.0	85.6	89.0	86.4	86.8
10	88.7	97.3	83.6	97.2	91.7	97.3	92.1	92.8
11	97.6	107.6	93.4	108.7	95.9	104.5	102.0	102.5
12	101.8	111.4	91.8	112.8	98.6	105.6	104.2	104.2

*NCSL calculations based on data from Iowa Department of Public Instruction. These data are net of county special education pupils.

TABLE 7.11

ADJUSTED GROSS INCOME AND NET ASSESSED VALUATION PER FORMULA PUPIL WITHIN DECILE OF AVERAGE PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1972 TO JANUARY 1975*

Decile	Average Percent Change in Headcount Enrollment September 1971 to January 1975	Average 1973 Adjusted Gross Income Per Formula Pupil FY 1976	Average Net Assessed Valuation per Formula Pupil: Amount, FY 1976	Average Net Assessed Valuation per Formula Pupil: Estimated Percent Change FY 1976 to FY 1977
Total	- 5.3	$ 14,516	$ 17,010	33.5
1	-16.7	15,837	21,872	37.0
2	-12.1	15,220	21,392	34.8
3	- 9.8	14,654	16,481	32.9
4	- 8.4	14,377	17,254	33.9
5	- 6.9	14,735	15,883	35.3
6	- 5.2	14,574	16,739	35.0
7	- 3.5	14,165	15,522	31.8
8	- 1.5	14,592	16,083	33.1
9	1.8	12,791	14,242	31.8
10	10.3	13,714	14,634	28.9

*NCSL calculations based on data from Iowa Department of Public Instruction and Iowa Comptroller's office. All averages are unweighted means which reflect the central tendency of the variables across school districts--not pupils.

TABLE 7.12

CURRENT PUPIL EXPENDITURE PER FORMULA PUPIL NET OF PUPIL TRANSPORTATION EXPENDITURE FY 1976 WITHIN DECILES OF AVERAGE PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1971 TO JANUARY 1975*

Decile	Average Percent Change in Headcount Enrollment September 1971 to January 1975	Current Pupil Expenditure per Formula Pupil, Net of Pupil Transportation Expenditure, FY 1976** Average	Minimum	Maximum	Variation Index***
Total	- 5.3	$ 1,123	$ 839	$ 1,740	9.8
1	-16.7	1,215	1,051	1,740	11.9
2	-12.1	1,138	951	1,366	8.7
3	- 9.8	1,142	908	1,504	10.6
4	- 8.4	1,128	958	1,322	7.9
5	- 6.9	1,127	918	1,404	7.7
6	- 5.2	1,123	944	1,383	7.5
7	- 3.5	1,099	917	1,325	7.8
8	- 1.5	1,099	896	1,393	8.0
9	1.8	1,086	839	1,403	9.5
10	10.3	1,077	850	1,347	8.5

*NCSL calculations based on data from Iowa Department of Public Instruction and Iowa Comptroller's office. All averages are unweighted means which reflect the central tendency of variables across school districts--not pupils.

**Includes General Fund-General Expenditures for Administration, Instruction, Attendance, Health, Operation and Maintenance, and Fixed Charges.

***Coefficient of Variation.

TABLE 7.13

AVERAGE SEPTEMBER ENROLLMENT PER FTE TEACHER, GRADES K TO 12, FY 1972 AND FY 1975 WITHIN DECILES OF PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1972 TO JANUARY 1975*

Decile	Percent Change in Headcount Enrollment September 1971 to January 1975	September Enrollment Per FTE Teacher, K-12		
		FY 1972	FY 1975**	Percent Change** FY 1972 to FY 1975
Total	- 5.3	18.3	17.4	- 4.9
1	-16.7	16.4	15.2	- 7.2
2	-12.1	17.8	16.6	- 6.0
3	- 9.8	17.6	16.7	- 4.1
4	- 8.4	18.1	17.1	- 5.5
5	- 6.9	18.3	17.0	- 7.1
6	- 5.2	18.3	17.2	- 5.7
7	- 3.5	19.3	18.5	- 3.3
8	- 1.5	19.0	18.0	- 5.0
9	1.8	19.1	18.6	- 2.5
10	10.3	19.3	19.3	0.6

*NCSL calculations based on data from Iowa Department of Public Instruction and Iowa Comptroller's Office. All averages are unweighted means.

**Excludes pupils and teachers at the sixth- and twelfth-grade levels.

districts average $1,215, over 8 percent greater than state average and over 11 percent greater than the expenditure level of the 45 districts experiencing the greatest enrollment growth. It is difficult, however, to conclude that these higher expenditures represent categorically better quality services. On one hand, these small districts provide a substantially smaller body of course offerings. On the other hand, as Table 7.13 shows, they have a lower pupil-teacher ratio--15.2 pupils per teacher in 1975--than school districts with smaller enrollment losses. Furthermore, they exhibit higher levels of teacher experience than other districts, as illustrated in Table 7.14.

Finally, the districts with declining enrollments can finance increased expenditures easier than other districts. As may be seen in Tables 7.15 and 7.16, their school millage is the lowest in the state, and they have been able to reduce their general fund millage

TABLE 7.14

SELECTED EDUCATIONAL CHARACTERISTICS WITHIN DECILES OF PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1971 TO JANUARY 1975*

Decile	Percent Change in Headcount Enrollment September 1971 to January 1975	1975 Pupil-Teacher Ratio	1975 Average Teacher Experience	1974-75 Carnegie Units
Total	- 5.3			
1	-16.7	15.2	10.4	44.06
2	-12.1	16.6	10.5	53.24
3	- 9.8	16.7	10.2	49.31
4	- 8.4	17.1	10.3	51.32
5	- 6.9	17.0	11.0	55.18
6	- 5.2	17.2	9.8	54.84
7	- 3.5	18.5	9.6	54.62
8	- 1.5	18.0	9.5	54.86
9	1.8	18.6	9.9	49.16
10	10.3	19.3	8.9	51.86

*NCSL calculations based on data from the Iowa Department of Public Instruction and Iowa Comptroller's Office. All averages are unweighted means.

by nearly 7 percent since 1972. In short, districts that have experienced major enrollment drops are wealthier, have lower school tax rates, and exhibit higher educational expenditures than other districts in the state. They definitely have the local fiscal ability to cope with the problems caused by declining enrollment.

Iowa's Policies Toward Declining Enrollment

Conventional wisdom asserts that government is incapable of dealing with a problem until there is a political crisis. Iowa's policies toward declining enrollment represent a notable exception to this generalization. Well before declining enrollment became an object of popular concern, Iowa was making a concerted effort not only to minimize its inevitable fiscal and educational dislocations, but also to exploit its impact to bring major improvements in the quality of local school services.

TABLE 7.15

AVERAGE SCHOOL DISTRICT TOTAL, GENERAL FUND AND SCHOOLHOUSE FUND MILLAGE, FY 1976, WITHIN DECILES OF PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1971 TO JANUARY 1975*

Decile	Percent Change in Headcount Enrollment, September 1971 to January 1975	School District Millage, FY 1976		
		Total	General Fund	Schoolhouse Fund
Total	- 5.3	51.40	45.85	5.55
1	-16.7	46.16	42.73	3.43
2	-12.1	45.99	41.66	4.33
3	- 9.8	52.03	46.67	5.36
4	- 8.4	49.90	45.12	4.78
5	- 6.9	51.34	45.87	5.47
6	- 5.2	50.55	45.23	5.32
7	- 3.5	50.71	45.61	5.10
8	- 1.5	54.17	47.51	6.47
9	1.8	53.65	47.70	5.95
10	10.3	59.23	50.10	9.13

*NCSL calculations based on data from the Iowa Department of Public Instruction and Iowa Comptroller's Office. All averages are unweighted means.

The Political Setting of Declining Enrollment

The political leadership of Iowa recognized the likelihood of declining public school enrollment by the late 1960s--three to four years before the loss of pupils would be sufficient to have much impact on local school finances or classroom services. Contrary to what one might expect, however, the imminent loss of enrollment was seen less as a problem than as an opportunity. The prospect of fewer students quickly became a political lever since it was used as an argument for greater state assumption of local school operating costs. As a number of state officials pointed out, declining enrollment would permit the state to pay for an increasing share of elementary and secondary education expenditures with little or no increase in the absolute number of state dollars. The only development that could upset this possibility would be a rapid rise in the absolute level of local spending. The idea of using declining enrollment as an opportunity for boosting the state

TABLE 7.16

SCHOOL TAX RATE CHARACTERISTICS WITHIN DECILES OF PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1971 TO JANUARY 1975*

Decile	Percent Change in Headcount Enrollment, September 1971 to January 1975	1971-72 General Fund Millage	1975-76 General Fund Millage	% Change in 1972-76 General Fund Millage
Total	- 5.3			
1	-16.7	45.78	42.73	-6.7
2	-12.1	44.71	41.67	-6.8
3	- 9.8	50.18	46.67	-7.0
4	- 8.4	46.67	45.12	-3.3
5	- 6.9	49.40	45.86	-7.2
6	- 5.2	47.03	45.23	-3.8
7	- 3.5	48.55	45.61	-6.1
8	- 1.5	49.67	47.51	-4.4
9	1.8	49.65	47.70	-3.9
10	10.3	51.95	50.10	-3.6

*NCSL calculations based on data from the Iowa Department of Public Instruction and Iowa Comptroller's Office. All averages are unweighted means.

share of public school costs won broad-based support rather quickly. It offered a way to solve a major political problem.

During the early 1960s, Iowa operated what must rate as one of the most classically inequitable school finance systems ever devised. The state share of school operating costs was less than 20 percent as recently as 1967; the overwhelming share of educational outlays was supported by widely disparate property tax levies; and the quality of services provided to schoolchildren varied considerably. A combination of rising school costs and rapidly inflating farmland values, however, made it politically difficult to sustain such inequities.[23]

With the prospect of declining enrollment providing an important incentive, Iowa acted to assume a greater share of local school costs through a major overhaul of its school finance system in 1967, then again in 1971. Even though enacted several months before *Serrano*, the 1971 reform complied with its spirit and has allowed Iowa school districts to deal with declining enrollment in a very different fiscal environment than has occurred in states with less equitable funding arrangements. During its first year of operation, fiscal 1973, the new school finance law committed the state to support 70 percent of the average general fund per pupil expenditure less the per pupil yield from a uniform foundation tax levy of 20 mills.[24] In exchange for this increased state support, each local school system was required to limit its annual budget growth to 5 percent, unless it had expenditures below the state average or unless it could win an exception from the State Budget Review Committee. Thus, instead of providing only 18 percent of general fund outlays as in Fiscal 1967, the state paid 43 percent.[25] Moreover, instead of having one of the least equalized school finance systems, Iowa was moving quickly toward one of the most equalized. Indeed, by 1975, only two other states--Florida and New Mexico--could claim less variation in their local per pupil operating expenditures.[26]

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[23] *Ibid.*, p. II-2, II-4.

The Declining Enrollment Cushion

When first placed in effect, Iowa's 1971 school finance reform law lacked any explicit provision for cushioning declining enrollment, apparently an intentional omission. Only a very small number of local school systems had experienced precipitous enrollment drops. Moveover, there was a feeling among some that dislocations resulting from declining enrollment could be managed with the planned increase of state foundation aid from about $156 million in 1971 to in excess of $300 million by the mid-1970s. By the 1973 legislative session, however, there was widespread sentiment that many districts with declining enrollment could not continue to maintain adequate services without additional state financial assistance. This shift in opinion, in part, was simply the result of the increasing visibility and impact of declining enrollment at the local level. But, equally important, it was the product of the 1971 reform itself, because each pupil lost from enrollment reduced local ability to take advantage of the rapid growth in state aid.

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[24] For a summary of Iowa's current school finance legislation, see: U.S. Office of Education, *Public School Finance Programs, 1974-76* (Washington, D.C.: 1976), pp. 131-36.

[25] All computations based on data supplied by Iowa Department of Public Instruction.

[26] Wilken and Callahan, *An Assessment of the Tax and Expenditure Equity of Iowa's Schools Finance System*, p. I-1.

Responding to mounting anxiety about declining enrollment, the Iowa Legislature during its 1973 session adopted a provision which permits a substantial lag in local counting of pupils for aid purposes. Specifically, it permits each school district to count 50 percent of its annual enrollment loss as "phantom" pupils in determining its state foundation aid entitlements. No school district, however, is permitted to count more than 25 percent of any enrollment loss constituting more than 5 percent of its pupil population.[27]

The Special Education Enrollment Cushion

Districts losing enrollment have been helped out not only by the declining enrollment cushion, but also by a related factor, the adoption of a pupil-weighting system for determining local special education aid entitlements. Effective in Fiscal 1976, each Iowa school district could obtain additional state aid for children in special education programs according to a schedule which increased basic or foundation aid by a factor of 1.8 for handicapped children placed in regular classes, by a factor of 2.2 for handicapped children who must receive a portion of their instruction outside the regular classroom, and by a factor of 4.4 for handicapped children whose disabilities are so severe as to require education in self-contained classrooms.[28]

The Fiscal Arithmetic of Declining Enrollment

The fiscal arithmetic of Iowa's declining enrollment is fascinating. As predicted by a number of political and educational leaders in the late 1960s, declining enrollment has played a major role in permitting the state to assume a greater share of public school costs. The year before the 1971 reform went into full effect, state foundation aid in Iowa totalled $185 million or $284 per headcount pupil. By Fiscal 1976, it had grown to $383 million or $632 per headcount pupil. Thus, while the aggregate amount of foundation aid increased by about 106 percent, the amount per headcount pupil jumped almost 123 percent. Were it not for declining enrollment, Iowa would have found its 1971 reform far more expensive than has been the case.

Suppose, for example, that Iowa had increased its per pupil foundation aid to the 1976 level for non-handicapped students, but had not experienced any decline in its 1971 headcount enrollment. This would have required the state to make a basic foundation aid appropriation of nearly $386 million, a level almost $32 million greater than the actual level prior to supplements for declining enrollment and special education. Assuming, moreover, that the state would have funded special education at the actual 1976 level, the additional sum of state aid would have approached $52 million, a sum only slightly less than the entire increment in state foundation aid between 1975 and 1976. Stated a bit differently, the aggregate impact of declining enrollment has been to permit the state to make a very substantial improvement in its financial commitment to education, with relatively little additional effort over what would have been required had enrollment remained stable.

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[27] U.S. Office of Education, *Public School Finance Programs*, p. 133.

[28] *Ibid.*, p. 132.

While many Iowans accept this fact, there remains substantial division over the adequacy of the fiscal relief that has been supplied thusfar to the school districts bearing the brunt of enrollment losses. As Table 7.17 demonstrates, Iowa's declining enrollment cushion has allowed local school systems losing pupils to collect almost $27 million over and above their basic foundation aid entitlement in the three years from 1974 through 1976. However, this represents only about 3 percent of all foundation aid paid during the period. The question might be stated: Is Iowa improving its educational funding system without adequate regard for the local school systems with declining enrollment?

The Impact of Declining Enrollment at the Local Level

We attempted to evaluate the impact of declining enrollment on Iowa's local school systems through a combination of aggregate fiscal analysis and extensive interviews with local school personnel and groups representing their specific interests at the state level. The aggregate analysis involved consideration of data for every Iowa school system. The interviews were conducted in 55 local school systems that are a microcosm of the state as a whole and normally included the school superintendent or business manager, the chairperson of the board of education, and the president of the teachers' collective bargaining agency.[29]

Staffing

As might be expected, declining enrollment has forced some Iowa school districts to initiate substantial staff reductions. Major

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[29] Wilken and Callahan, *An Assessment of the Tax and Expenditure Equity of Iowa's School Finance System*, Appendix F.

TABLE 7.17

COST EFFECT OF WEIGHTED AND "PHANTOM" PUPILS IN IOWA'S SCHOOL AID FORMULA, FY 1970 TO FY 1975

Year	Headcount	Budget Enrollment	Decline in Budget Enrollment	Average State Aid Per Pupil	Total State Saving (in 000's)	Saving Using Headcount (in 000's)
1970-71	659,569					
1971-72	652,518	652,518	7,051	$ 284	$ 2,130	$ 2,130
1972-73	646,494	646,494	13,075	331	4,328	4,328
1973-74	630,841	643,391	16,178	389	6,293	11,175
1974-75	617,080	637,479	22,090	454	10,029	19,290
1975-76	605,000	654,362	5,207	585	3,046	31,923
Cumulative Savings to State					$25,868	$68,846

SOURCE: Wayne P. Truesdall, "Financing Iowa Schools" (Cedar Falls, Iowa: University of Northern Iowa, October 19, 1975), p. 30c. Mimeographed.

cutbacks, however, have been limited to only a handfull of communities like Ottumwa that have experienced a major flight of population. Indeed, most local school systems have not been reducing staff, but holding it constant or adding to it very slightly. Between 1971 and 1975, Iowa school districts increased their employment of educational professionals from 40,808 to 41,277, a growth rate of slightly over 1 percent. And more striking, they expanded their employment of non-professional staff from 13,718 to 14,302, an increase of more than 4 percent.[30]

These employment trends, coupled with the state's declining enrollment, have brought about a significant improvement in school district staffing ratios. Staffing ratios for classroom teachers, however, have improved much less than staffing ratios for administrators, non-classroom professionals, and clerical staff as Table 7.18 indicates. Between 1971 and 1975, for example, the statewide staffing ratio for classroom teachers improved by 5.5 percent while the staffing ratios for clerical personnel and administrators improved by 12.1 percent and 16.2 percent, respectively.

Staffing ratios for classroom teachers have improved most in the Iowa school districts with the greatest enrollment loss. The degree of betterment, however, has not been closely correlated with the extent of enrollment loss. The forty-five Iowa school districts exhibiting the greatest percentage losses in enrollment between 1972 and 1975 averaged a 7.2 percent improvement in their pupil-teacher ratios, while the forty-five districts that had the smallest enrollment drops averaged a 5.0 percent improvement. As Table 7.19 shows, pupil-teacher ratios even improved slightly in school districts exhibiting enrollment increases.

The inelasticity of Iowa's teacher workforce, in response to declining enrollment, can be attributed to several factors. One is the prevailing view of most local school officials that staff reductions should not take place unless they are unavoidable. As many local officials implied during our interviews, reductions in staff are tantamount to budgetary suicide. Once a position is eliminated, it becomes almost impossible to replace. Moreover, reductions in staff often present a host of short-term administrative problems such as more difficult pupil-scheduling; less amicable labor relations; internecine conflict among principals of local attendance areas that might experience building closings; and, not infrequently, sharp protest from parents of adversely affected pupils.

Another factor which has discouraged teacher layoffs has been the distribution of declining enrollment itself. As pointed out above,

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[30] *Ibid.*, p. III-11.

TABLE 7.18

PUPIL-STAFF RATIOS BY STAFF CATEGORY, FY 1971 TO FY 1975*

Fiscal Year	September Enrollment	Classroom Teachers	Administrators	Other Professionals	Clerical Staff	Other Non-Professional Staff Except School Lunch
		September Enrollment Relative to Headcount Number				
1971	659,569	20.2	930.3	88.0	177.8	65.2
1972	652,518	19.9	891.4	93.5	180.2	64.0
1973	646,494	19.8	865.4	85.1	168.7	63.1
1974	630,841	19.3	850.2	81.2	160.2	56.5
1975	617,080	19.1	780.1	74.8	156.3	59.6
% Change in Pupil-Staff Ratios, 1971-75	-6.4	- 5.5	-16.2	-15.0	-12.1	- 8.6

*NCSL calculations based on data from the Iowa Department of Public Instruction, *Secretary's Annual Report*, summary.

TABLE 7.19

AVERAGE SEPTEMBER ENROLLMENT PER FTE TEACHER, GRADES K-12, FY 1972 AND FY 1975 WITHIN DECILES OF PERCENT CHANGE IN SCHOOL DISTRICT HEADCOUNT ENROLLMENT, SEPTEMBER 1972 TO JANUARY 1975*

Decile	Percent Change in Headcount Enrollment, September 1971 to January 1975	September Enrollment Per FTE Teacher, K-12		
		FY 1972	FY 1975**	Percent Change** FY 1972 to FY 1975
Total	- 5.3	18.3	17.4	-4.9
1	-16.7	16.4	15.2	-7.2
2	-12.1	17.8	16.6	-6.0
3	- 9.8	17.6	16.7	-4.1
4	- 8.4	18.1	17.1	-5.5
5	- 6.9	18.3	17.0	-7.1
6	- 5.2	18.3	17.2	-5.7
7	- 3.5	19.3	18.5	-3.3
8	- 1.5	19.0	18.0	-5.0
9	1.8	19.1	18.6	-2.5
10	10.3	19.3	19.3	0.6

*NCSL calculations based on data from Iowa Department of Public Instruction and Iowa Comptroller's Office. All averages are unweighted means.

**Excludes pupils and teachers at the sixth- and twelfth-grade levels.

Iowa's enrollment losses to date have been concentrated heavily in small, affluent, high-spending school districts. This has tended to retard layoffs for at least three reasons. First, a small, affluent community is unlikely to notice any significant reduction in its school tax rate from the dismissal of a teacher or two. Second, many small communities have such limited curriculum offerings that it often becomes difficult to eliminate a staff position without eliminating services required by state education regulations. Third, and closely related, eliminating staff positions in very small school districts raises inescapable questions about the districts' continued viability and consolidation with neighboring service units.

While Iowa's enrollment losses have had relatively little impact on school staffing patterns thusfar, it is doubtful that this will continue indefinitely. Future enrollment losses will concentrate increasingly in Iowa's largest school districts, many of which rank among the poorest in the state. Equally important, enrollment losses are likely to reach a level that would generate at least a 12 percent reduction in the pupil-teacher ratio by 1980 if there is no shrinkage in the size of the teacher workforce. The cost of such a staffing ratio reduction, however, would be formidable. As Table 7.20 indicates, it would require the continued employment of at least 4,000 teachers over and above the number required to maintain the statewide pupil-teacher ratio at the 1975 levels. Assuming an average teacher salary between $10,000 and $12,000 annually, the cost of this continued employment would amount to at least $40 million in 1980 alone.

The Impact on the Quality of Education

Perhaps because most localities have not been cutting staff, there has been relatively little sentiment among Iowa school officials and educators that declining enrollment has hurt the quality of Iowa's school services. In our interviews with school officials and staff in declining enrollment school districts, we asked: "How would you rate the impact of the decline on the quality of your educational program overall?" Somewhat surprinsingly 53 percent said "Inconsequential," and 15 percent said either "Somewhat helpful," or "Generally helpful." About 20 percent said "Somewhat harmful," and 13 percent--disproportionately classroom teachers--said "Generally harmful."

Probing further, we asked our school site respondents to identify the impact of declining enrollment on specific services. The results of this probing are summarized in Table 7.21. On the face of things, these data suggest that most schools adjust their services to declining enrollment in about the same way. Initial or deepest cuts are concentrated in services related to the maintenance, operation, and development of the capital plant. Secondary cuts occur in "auxiliary services" such as libraries, guidance, health programs, and community outreach. When economies are exhausted in this area, the next set of cuts home in on classroom instruction. Interestingly, however, most respondents view declining enrollment as causing a greater decline in the quality of classroom instruction overall than in the quality of most specific components. Finally, the last items to suffer from declining enrollment are psychological services and pupil transportation. We suspect, however, that the relative invulnerability of psychological services is primarily a product of Iowa's efforts to make substantial improvement in special education and related services.

We tested the validity of our findings about the impact of declining enrollment by comparing respondent evaluations of changing school service quality in both decreasing and increasing enrollment school districts. The results raise serious questions about many of the alleged consequences of declining enrollment. As Table 7.21 shows, perceptions about the impact of enrollment change on the quality of

TABLE 7.20

ESTIMATED PUBLIC SCHOOL DEMAND FOR TEACHERS KINDERGARTEN THROUGH TWELFTH GRADE, FY 1980 USING FY 1975 PUPIL-TEACHER RATIOS AND DPI ENROLLMENT PROJECTIONS FOR FY 1980*

			Demand for Teachers		
Grade Level	Projected Public September K-12 Enrollment, FY 1980	Pupil-Teacher Ratio Grades K-12 FY 1975	FY 1980 Estimate Using FY 1975 Pupil-Teacher Ratio	FY 1975 Estimate	Percent Change FY 1975-FY 1980
Total	539,800	18.7	28866.3	32889.6	-12.2
Kindergarten	38,804	33.7	1151.4	1344.2	-14.3
1	39,202	18.4	2130.5	2301.6	- 7.4
2	39,006	18.7	2085.8	2254.2	- 7.5
3	39,540	18.8	2103.2	2253.9	- 6.7
4	38,705	19.1	2026.4	2368.8	-14.4
5	39,142	19.6	1997.0	2430.6	-17.8
6	38,385	19.6	1958.4	2523.6	-22.4
7	40,303	18.3	2202.3	2860.1	-23.0
8	41,162	18.4	2237.1	2891.2	-22.6
9	45,194	17.7	2553.3	3005.2	-15.0
10	47,021	17.4	2702.4	2983.7	- 9.4
11	46,867	16.5	2840.4	2853.8	- 0.5
12	46,469	16.0	2904.3	2829.6	2.6

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*Iowa Department of Public Instruction. Includes elementary and junior high ungraded and special education pupils and staff distributed equally through grades K-8. Senior high ungraded and special education pupils have been distributed equally through grades 9-12.

TABLE 7.21

ENROLLMENT CHANGE AND QUALITY OF SCHOOL SERVICE IN 55 IOWA SCHOOL DISTRICTS, SUMMER 1975

School Services	Percent of Respondents Who Say Enrollment Change Has Brought a Decline in Quality in School Services: In School Districts With Decreasing Enrollment	In School Districts With Increasing Enrollment
Pupil Transportation	5	0
Psychological Counseling	5	0
Food	7	5
Community Relations	12	6
Health	12	0
Guidance	13	11
Library	14	5
Classroom Instruction Overall	19	0
Special Education	4	0
Social Studies	10	6
Science	10	6
English	12	--
Mathematics	12	12
Vocational Ed.	13	18
Foreign Languages	21	18
Plant Operation	19	6
Equipment	22	10
Capital Outlay	25	17
Plant Maintenance	26	12

specific services are very similar in decreasing *and* increasing enrollment school districts. Respondents in school districts with increasing enrollment think that educational services have been deteriorating most rapidly in the same areas cited by respondents in school districts with decreasing enrollment.

This suggests three important conclusions. First, many of the supposed woes resulting from declining enrollment are likely to be the product of other trends. Second, declining enrollment can result in the erosion of service quality, but not nearly to the degree that some believe.

And third, that public officials who want to compensate for the disruptions of declining enrollment would be well-advised to demand proof that declining enrollment is causing the specific hardships that some allege.

Summary and Conclusions

Iowa in recent years has lost a greater share of its public school population than any other state. The impact of this change on local school districts, however, has been quite limited. Relatively few communities have reduced school staff. In fact, most have added staff. Some school officials believe that declining enrollment has hurt the quality of their educational services, but there is strong evidence that many school officials and staff have failed to distinguish adequately between problems resulting from declining enrollment and problems caused by other trends such as selective price inflation.

The minimally adverse impact of declining enrollment on Iowa's school services seems to be a product of two forces: the distribution of enrollment losses by school district type and changes in public policy. Declining enrollment to date has been concentrated overwhelmingly in the school districts that have the greatest fiscal resources to deal with its adverse effects. More important, it has occurred at a time when state officials have been ready to turn the proverbial "sow's ear" into a "silk purse." As far back as the late 1960s, state officials saw that declining enrollment would allow the legislature to assume greatly increased responsibility for school revenue-raising but without any growth in the burden of state taxes. Legislation enacted on the basis of this presumption has provided most Iowa school districts with massive increases in state aid. As a result, many Iowa school systems are far more able to weather the dislocations of declining enrollment than they would have been under the old, inequitable funding system.

This, of course, does not mean that Iowa can or should ignore declining enrollment as a policy problem. It does mean, however, that Iowa may find the problem much easier to cope with than other states with either less equitable school funding systems or declining enrollment patterns which are less amenable to management with local resources.

THE STATE LEGISLATIVE RESPONSE TO DECLINING ENROLLMENT

As declining enrollment has become more pronounced, state governments have faced mounting pressure to deal with its consequences from two very different groups of petitioners. One group has been interested primarily in the enactment of "hold harmless" laws--laws which would minimize the need for any adjustment to declining enrollment by either local school districts or major organized education interest groups. The other group has been concerned essentially with just the opposite--using declining enrollment as a pretext for encouraging major changes in almost every important aspect of public education. Thusfar, however, the overall emphasis of the legislative response has been protective rather than oriented toward great change.

New Fiscal Policies

One major area of emphasis has been "cushioning" local school districts against fiscal dislocations. At least fifteen states have adopted measures providing fiscal relief for declining enrollment. These new laws differ substantially in degree of complexity. The simplest provide relief by allowing local school systems to receive state aid based on enrollment during one year prior to the current year. States using this method, as Table 7.22 shows, include Illinois, Indiana, and Kansas. Most states, however, adjust their declining enrollment relief for differences in the degee and longevity of decline.

Colorado, Kentucky, and Ohio base aid for declining enrollments on the average enrollment over a period of two to five years. California, Iowa, and Minnesota take a similar approach but give less weight to enrollment in prior years than in the current year. Both of these arrangements allow school districts an opportunity to make a gradual adjustment to enrollment loss. A number of states, however, have recognized that the need for an aid cushion may not be directly proportionate to the magnitude of enrollment losses. Accordingly, they have adopted a variety of policies which prevent the distribution of enrollment loss relief until the extent of pupil decline has reached a "critical mass." Michigan's "cushion" is inoperative until a locality's annual enrollment loss exceeds 2 percent, when a flat grant of $80 is allocated for each lost child. Minnesota's weight of 0.6 per "phantom" student is triggered when the enrollment decline is over 5 percent. And Iowa's formula calls for a 50 percent cushion for the first 5 percent enrollment loss, and a 25 percent cushion for any further loss.

Enrollment losses also can be addressed indirectly. Minnesota and several other states have acknowledged this by increasing the funding weight given to pupils in the elementary grades, where enrollment losses tend to be concentrated. Other indirect adjustments may also come into play. Michigan, for example, has considered increasing the millage ceiling recognized by that state's power equalizing formula because it would channel a greater increase in aid to declining enrollment districts than current policies.[31] Other states could deal with their declining

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[31] James Phelps, Office of the Governor, "Adjustments to the School Aid Formula (Lansing, Mich.: n.d.), p. 4. Mimeographed.

TABLE 7.22

STATES WITH LEGISLATED DECLINING ENROLLMENT ADJUSTMENTS

Alaska	Slight enrollment cushion: 1st quarter is base average daily membership for year
Arizona	Can use current or previous year enrollment count, whichever is higher
California	Can count 75 percent of the difference between prior and current year enrollment
Colorado	Greater of current ADA, and previous year's ADA, or previous three years' ADA
Illinois	Current or previous year pupil count
Indiana	Current or previous year pupil count
Iowa	Can count 50 percent of first 5 percent enrollment cost, and 25 percent of any loss over 5 percent
Kansas	Can use prior year's enrollment cost
Kentucky	Average pupil count of last three years, and if enrollment is more than 3 percent below average, then they are eligible for Declining Enrollment Assistance Grant
Michigan	$80 per pupil Flat Grant Cushion
Minnesota	Count 60 percent of decline over 6 percent
New York	Hold harmless aid from pervious year
North Dakota	Can count highest enrollment for each of the last two years
Ohio	May take current enrollment or average of last three years, whichever is higher
Oregon	Count decline for year, multiply by 75 percent, then multiply by $296--Flat Grant Declining Enrollment Cushion

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SOURCE: Education Commission of the States, "School Finance at a Glance."

enrollment problems by providing aid adjustments recognizing training and experience factors or school district sparsity or density because of the tendency of enrollment losses to concentrate primarily in either sparse rural or dense urban school districts having disproportionate numbers of older or better-educated professional personnel. Indeed, many states have done this for some time, although not necessarily for reasons related to declining enrollment.

Half the states provide direct aid to districts likely to have declining enrollments via sparsity, density, and/or size adjustments.[32] Michigan, for example, provides a municipal over-burden weight in its general school finance formula. Illinois and Minnesota have weights for poor children in the Aid to Families with Dependent Children Program (AFDC).

Another aid policy which may be an indirect cushion for districts with declining enrollments is the expansion of categorical aids. Unlike general aid formula adjustments categorical aids may enable a state to target its aid or support on the fixed costs in a school district. Thus, a state may be able to provide relief for declining enrollment without having to incur an extraordinary fiscal burden.[33]

A final financial policy helping districts to adjust to declining enrollments are state tax and expenditure limitations. While there is a general negative reaction to this concept in states without these limitations, the consensus in states with such controls is favorable, especially from an administrative and taxpayer viewpoint. During declining enrollments, those controls force a district to act within specific budget constraints, thereby making some planned reductions in the budget.

Labor Policies

Labor relations are profoundly affected by declining enrollments. Teachers, administrators, and support staff are aware of the possibility that their jobs may be eliminated in the near future. During the period, they must turn to their union for protection. More and more employees at each level of a school system seek to be a part of an active strong bargaining unit to protect their interests. Consequently, tenure and "reduction-in-force" laws are being enacted and revised. Most states now have laws granting tenure after a probationary period of two years. After this, teachers may be laid off only by seniority. Nearly half the states, according to the Education Commission of the States, mention dismissal and declining enrollments in their tenure laws, with thirteen making specific mention of dismissal procedures. Notable problems in this area are the administrator's status in instructional seniority, the teacher's ability to "bump" a less senior teacher, and whether seniority is the most appropriate method of reducing staff.

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[32] States with density/sparsity or size adjustments are: Alaska, Arkansas, California, Colorado, Florida, Georgia, Idaho, Kansas, Louisiana, Maine, Maryland, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Wahsington, and Wyoming. Source: Education Commission of the States, "School Finance at a Glance" (Denver, Colo: December 1975).

[33] Robert J. Goettel and Robert E. Firestine, "Declining Enrollments and State Aid: Another Equity and Efficiency Problem," *Journal of Education Finance* (Fall 1975).

The problem of the role of school administrators in a period of enrollment decline is now being addressed in several states. While many states allow administrators to maintain their tenure as instructional employees, their seniority as classroom teachers ceases to accumulate after leaving the classroom. Yet, some observers now feel that if an administrator may re-enter as a senior classroom teacher, he or she may be more inclined to accept the change of job status. Thus, there will be less incentive to specifically protect administrators in a reduction in force. Proposed Michigan legislation, for example,

> . . . provides that if a teacher were employed as other than a classroom teacher, but had been granted continuing tenure as a classroom teacher, the teacher would retain and accumulate all benefits as a tenured teacher, including seniority, while service as other than a classroom teacher.[34]

Other reduction in force proposals call for proportionate decrease of administrators to other personnel categories and maximum administrative staff ratios for all districts receiving aid.

The issues of "bumping" and "merit" also will be of increasing concern as layoffs increase. Conflict arises when an employee in one field is laid off and replaced by a more senior employee of another field, in some cases whether certified in that field or not. Legislation recently proposed in New York attempts to deal with this problem. First, under no circumstance would a person be placed in a job for which he or she is not certified. Also, no person would "bump" into a position that they have not previously filled in that district.

Labor-management policies eventually may also address the teacher supply and demand problem, especially in matters of teacher transfer and mobility. Because of the tighter job market resulting from declining enrollments, teacher turnover rates have dropped considerably. Thus, the staff in many districts is becoming increasingly senior, trained, and experienced. To encourage mobility which would provide a space for less expensive, less senior personnel, state legislation could provide (a) tenure "kick-backs" that would allow districts to hire experienced personnel at low cost, with the state matching the difference; and (b) placement lists or eligibility lists to teachers and districts, as well as expanding in-service training provisions.

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[34] Michigan House of Representatives, "First Analysis," House Bill 6257, July 1, 1976.

Staff structure may also be made more favorable by the development of early retirement policies. While some states have a much older teaching force than five years ago, Michigan and others have lost a substantial portion of their older staff through early retirement. There teachers with thirty years of service may retire with benefits at age fifty-five. It is thought that if more states would provide more generous early retirement plans, the salary problems of districts with declining enrollment would be eased. For example, a proposal in Minnesota was introduced last session to ease that state's demand and turnover problem. This plan would enable teachers to request a leave of absence for five years without jeopardizing their seniority or pension plan to experiment with another profession with an open option of returning to teaching for five years. This would practically eliminate the chance of a teacher losing his position if his new career is unsuccessful, but meanwhile new and younger teachers could be hired. According to most states surveyed, there is less than a 40 percent return rate of teachers who request a leave of absence.

New legislative policies about teacher training also may be required. While legislative mandates establishing quotas for public teacher training institutions may be undesirable, two alternatives commonly suggested in NCSL's survey and recommended by the Illinois Task Force on Declining Enrollment in Public Schools are to:

> a. " . . . determine the feasibility and desirability of a requirement that each public teacher training institution submit a five year plan on how it intends to adjust the number of students in its program to lessen the general oversupply of teachers. . . ." and
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> b. " [to study] the feasibility and desirability of a five year bachelors degree course of study as a requirement for certification in the state. . . ."[35]

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[35] Illinois Office of Education, *Report to the Illinois Task Force on Declining Enrollments in the Public Schools* (Springfield, Ill.: December 1975), p. 50.

Governance Policies

With hardly an exception, most of those surveyed would privately admit that declining enrollments highlight the economic inefficiencies of small districts in their states. However, while state-mandated reorganization is not considered feasible, other state policies may provide an indirect incentive for reorganization or consolidation, or provide other institutional alternatives that will reduce costs and still provide a full curriculum for smaller school units.

First, as does Kansas, a maximum budget per pupil may be mandated in a state aid formula. Small districts thus will have to operate within a budget constraint even given their "too small status." Second, new construction may require the approval of a state or regional board and a district may be required to undergo a facility audit. Another alternative is to expand the scope of service offered by regional school districts or cooperative agencies and encourage small districts to use these services. Such programs typically include vocational and special education, art, and foreign languages. Strengthening minimum course requirements for a school district would provide an additional incentive for small districts to consolidate or participate in a cooperative service unit.

State budgetary review boards similar to those of Iowa, Kansas, and Colorado also can aid in solving declining enrollment fiscal problems. The purpose of these boards is to provide additional resources to districts because of extraordinary circumstances, such as declining enrollments. However, the use and funding of these boards has been limited to date. Greater use of this funding mechanism will enable states to deal with this fiscal problem in the most discretionary way possible.

Conclusion

A wide variety of state measures must be employed to deal with the fiscal and educational problems attendant upon declining enrollments. First, each state and district must carefully analyze its enrollment trends. Without mandatory planning, states and districts will be unprepared to deal with declining enrollments. District level census and projections will be imperative to successful planning. What is the expected enrollment change? What is the concentration of disadvantaged children? How many children require more costly educational services?

Second, the fiscal characteristics of enrollment decline must be carefully evaluated. How severe is the problem for poor districts or for those with extraordinarily high school tax rates? Will declines further increase diseconomies in small districts? What are the areas of the school budget that will be difficult if not impossible to reduce? Are regional school programs of help to this problem?

Labor-management policies also must be reviewed. Tenure and reduction-in-force policies will have to guarantee job security to the older teacher without drastically curtailing the employment of newer teachers. State teacher education subsidies and teacher retirement policies may have to be modified.

Finally, educational productivity must be scrutinized. Will the lack of younger teachers lower the performance of some children? Will current tenure laws disrupt the morale of less senior teachers? Will small school districts be induced to consolidate economic growth with resultant damage to the education of their children? Will technological innovation suffer during a period of enrollment decline? Will there be more individualized instruction as pupil-teacher ratios decline?

Ultimately, declining enrollments can provide new opportunities in education. Districts can broaden their scope of services. New programs for the handicapped, disadvantaged, gifted, and pre-school child may be offered. Community services for senior citizens and adult education may be considered. Students may receive more individualized instruction. Yet, enrollment declines have long been ignored or feared by many districts. However, with foresight and planning, education may still benefit by the various adjustments to declining enrollments, as new state policies in finance, labor-relations, and governance are developed.

CHAPTER VIII

THE MANAGEMENT OF DECLINE: PROBLEMS, OPPORTUNITIES, AND RESEARCH QUESTIONS

Paul Berman
Milbrey McLaughlin

INTRODUCTION

Demographic shifts--a sharp drop in the birth rate, the flight of young middle-class people to suburbia's outer areas, localized migration within and between districts--have produced a marked national trend toward decline in public school enrollment and "crises of decline" in many school districts. The progeny of the post-war "baby boom" are showing little inclination to maintain the higher fertility rates of their parents; in 1980, it is expected that there will be 5.5 million fewer public school students than in 1970. But national averages tell only part of the story; the aggregate decline in enrollment does not affect all school districts in the same way. For a particular school district, the local migration pattern can be an even more significant source of decline. For example, 125 million people moved across county lines between 1960 and 1970.[1] Out-migration may cause some districts to experience a severe enrollment drop while state averages remain the same. Moreover, within-district migration may create problems of localized decline. Thus, while the total enrollment of a district may remain more or less constant, the movement of young families to the more affordable outer suburbs means that the pupil population has shifted to new neighborhoods. This shift causes a need for new buildings in one area of the district, while a surplus exists in another.

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[1] See Russell G. Davis and Gary M. Lewis, *The Demographic Background to Changing Enrollments and Schools Needs*, included as Chapter I in this volume. Also see National School Boards Association, *Declining Enrolment*, Research Report 1976--1, Evanston, Illinois, 1976.

However significant these direct and immediate consequences of enrollment decline, they fall short of putting the problem into its full perspective. Enrollment decline is one part of the broader problem of how school districts adjust to a period of contraction after an extraordinary period of growth. Whether, given "no-growth," the effectiveness of schools diminishes, remains the same, or perhaps increases depends only partly on the magnitude of enrollment decline; the critical factor will be how districts respond to their changed realities.

This chapter explores the issues arising from enrollment decline by examining the local school district context in which these issues will ultimately be resolved. Policymakers and practitioners alike appear uncertain about how seriously enrollment decline should be taken. The prognosis is cloudy for two reasons. First, accurate forecasts about the future depend on a clear understanding of the complexity of the problem facing schools. The initial section of this chapter suggests that fluctuation in enrollment should not be treated separately from the continuously changing economic, political, and social environment that defines a district's agenda. Moreover, each school district is constrained by such organizational characteristics as its salary schedule, its physical plant, its student population, and its staff attributes. Thus, both the environmental situation and the organizational constraints form the local context within which the problem of enrollment decline is defined.

A second obstacle to predicting the effects of enrollment decline are the responses of school districts. Judging from past experience during periods of growth, LEA reactions to enrollment may be quite varied. The second section of this chapter explores alternative school district responses to decline and argues that the key difference in their responses turns on their capacity and style of *managing change*. We shall argue that if, on the one hand, districts faced with decline do not revise how they manage change, their effectiveness in delivering educational services may erode; if, on the other hand, they alter their management appropriately, their effectiveness can be improved. In short, enrollment decline may be a crisis or an opportunity.

Based on analyses of the decline problem and of possible district reponses, the last section offers recommendations for a research agenda on problems of enrollment decline. We suggest research that seeks to understand how school districts might manage change better and, more particularly, how they might improve their response to fluctuations in such "exogeneous" inputs as change in enrollment.

THE COMPLEX REALITY OF ENROLLMENT DECLINE

The literature seldom sets the problem of enrollment decline in the environmental and organizational context as it is perceived by school district decisionmakers. Instead, limited and particularistic views are often taken. Discussions focus on demographic considerations (e.g., the lack of forecasting techniques); or on political constraints (e.g., community opposition to school closings); or on questions of economics (e.g., state aid formulas); or on bureaucratic concerns (e.g., staff reductions). Though all these analyses are relevant, they each diagnose only part of a complex institutional reality. Unless the multiple realities--demographic, political, economic, and organizational--are seen as being inseparably joined, the problems posed by enrollment decline can be misunderstood and either underestimated or overestimated. Neither research nor practical advice based on such narrow views is likely to deal with the significant issues. Therefore, we begin by considering the connections among the various aspects of enrollment decline.

Demographic Considerations

Rodekohr found in a survey of Colorado superintendents that many school districts were unaware of or underestimated enrollment decline.[2] This unawareness is perhaps an extreme symptom of a more general problem--most school districts do not have adequate technical expertise and facilities for demographic forecasting. Models and techniques for predicting trends and reducing uncertainty in enrollment estimates on a local, as well as regional, basis are available.[3] There is a need, however, for LEA staff to be trained to generate the appropriate data and to use these forecasting techniques.

Yet the problem of recognizing, assessing, and planning for decline is not solved by simply acquiring the needed information or by hiring "demographic specialists." A distinct danger exists that districts and federal and state policymakers will perceive the problem in technological terms, as other issues were so often construed in the recent past. For example, evaluation data generated by local "evaluation specialists" typically have had no effect on school district operations because the system is not organized to use them.[4] Although a number of districts--particularly large urban districts--have invested heavily in elaborate research and evaluation units, we have observed few instances in which the resulting analysis significantly influenced day-to-day decisions or even affected general policy issues. For one, the evaluations were not structured in a way that was useful or understandable to district participants. The reports typically were too technical for district trustees and managers to interpret and the data were aggregated at a level that was meaningless to principals and teachers. Second, even if evaluations were presented in an accessible format, few districts have managed to coordinate evaluation procedures with decisionmaking cycles or established appropriate channels for dissemination and discussion of evaluation findings. Consequently, evaluation efforts are typically isolated and unrelated to district policy and practice. Similarly, we would expect that school districts would not apply demographic data in an effective manner unless they change the way they do things. Unfortunately, most school districts are set up to do short-term "crisis management," rather than long-term comprehensive planning. Thus, unless they develop an improved capacity for planning of a type discussed later in this chapter, we anticipate that the typical school district response to even timely and high-quality information about decline is likely to reflect a short-term and technological perspective. Clearly, the technological aspects of decline only scratch the surface of the problem.

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[2] Mark Roedekohr, *Adjustments of Colorado School Districts to Declining Enrollments*, report submitted to the IBS Subcommittee on Academic Discipline, University of Nebraska, September 1974.

[3] Cyril G. Sargent and Judith Harny, *Fewer Pupils/Surplus Space: A Report*, Educational Facilities Labs, New York, 1974. Also see William F. Keough, Jr., "Early Warning Signs of an Enrollment Drop," School Management, vol. 18, no. 7, August-September 1974, pp. 32ff.

Political Constraints

Practitioners are quickly learning that such "solutions" to decline as school closings or staff reductions can be highly charged community issues when neighborhood schools are threatened and education programs are trimmed.[5]

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[4] Paul Berman and Milbrey Wallen McLaughlin, *Federal Programs Supporting Educational Change*, vol. 4 (Santa Monica, Calif.: The Rand Corporation, 1975).

[5] Edward E. Fields, "An Urban District Dilemma: Dwindling Enrollments, Growing Problems, Crisis, Conflict," paper presented at the American Association of School Administrators Convention, Dallas, Texas, February 21-24, 1975; William Trombley, "Claremont in Furore Over Decision to Close Oldest Grade School," *Los Angeles Times*,

It would be easy, however, to draw the wrong lessons from these bitter experiences. Administrators may be tempted to respond to enrollment decline as just another "crisis" to be weathered, rather than solved. They may elevate short-run political considerations to the level of an assumed constraint that deters them from taking difficult but needed steps. Averting conflict was simpler during the era of school growth; administrators could avoid making hard choices among incomparable values--e.g., whether to have a certain type of reading program, an art program, or a special education program--by doing some of everything. But decline may mean that difficult choices or trade-offs may have to be made. Many school boards and administrators may act to hide the problems or choose the least politically damaging alternative. Yet such efforts to minimize conflict and maintain community harmony assume that the root of the problem goes no deeper than the enrollment decline. Unfortunately, the political problem facing school districts is more complex and more subtle because of the shift over the past decade in public attitudes toward schools.

The 1960s not only saw a rapid growth in student population, but also witnessed a significant expansion of public expectations about the role and function of American schools. The public used to be content with a school focus on the 3Rs. By the end of the 1960s, however, schools were responsible for delivering an expanded curricula (especially science) and attending to the special educational needs of such groups as the handicapped, the disadvantaged, and the non-English speaking. In addition, they were asked to assume responsibility for such traditionally non-school concerns as drug and sex education, nutrition, preventive health care, child care, and a range of community services. The political problem for school administrators arises because the decrease in student enrollment has not been accompanied by diminished public expectations. On the contrary, schools may be asked to do even more in such areas as bicultural education, career education, student counseling, and lifelong learning. Furthermore, not only have public expectations increased about what schools *ought* to be doing, but the public has become more concerned with *how well* schools are doing their jobs. Questions of both educational quality and the proper role of the schools--generated and nurtured by the reform movement--have escalated in the face of disappointing evaluation results, the well-publicized nationwide test-score decline, and rising youth unemployment.

January 12, 1976; Raymond G. Arveson, "Implications of Decreasing Student Enrollments," paper presented at the American Association of School Administrators Annual Convention, Atlantic City, February 22-26, 1974.

Thus, school district officials faced with enrollment decline must simultaneously cope with the political realities of an *expectation lag*. School people are perceived as having "failed" despite the influx of new resources accompanying the Great Society initiatives; now they are asked to "succeed" with shrinking dollars. And, moreover, they are expected to maintain the menu of services available during the period of growth. It is precisely the science labs, the specialized programs, and the alternatives that officials may feel must be cut back because of enrollment decline and reduced revenues; yet once parents have come to expect such services, cutbacks raise serious political difficulties.

Therefore, the root of the political problem of dealing with decline is public skepticism and disaffection with schools.[6] Political "solutions" that define the problem narrowly--e.g., as one of avoiding conflict while closing schools--are not likely to be more than temporizing measures. Indeed, they may further erode public support. More important, this crisis approach does not advance the long-term need to build consensus within the community and provide a more stable and supportive environment to weather the coming era of retrenchment.

Economic Aspects

The economic aspects of enrollment decline have received considerable attention among analysts concerned with state financing laws. However, these studies often do not treat the political budgetary issues faced by LEAs.

State financing regulations are generally tied to average daily attendance (ADA) so that enrollment drops can result in financial hardships for individual districts.[7] It seems apparent that states should adopt more flexible financing formulas. Indeed, Robert Goettel argues that "states should annually change the factors used to calculate the general support formula."[8] This proposal has considerable merit, though it may not be politically feasible in these fiscally conservative times. Yet adjustments in state financing formulas primarily address one aspect of the local fiscal problem of enrollment decline. Namely, because school districts generally must balance their budgets, when their revenue goes down because of decreased enrollment, they must proportionately reduce their expenditures. But many costs are "lumpy"--that is, enrollment decline does not necessarily occur in administratively convenient units. For example, if the district loss of sixty third-grade students comes from thirty schools, then it could not compensate for the decreased revenue by reducing its teaching force accordingly. Instead, the district either must make other cuts or hope that state aid formulas take into account this lumpiness (e.g., by having "hold harmless" provisions).

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[6] Allan K. Campbell, "The Politics and Economics of the Future Financing of Public Education," paper presented at the Institute for Chief State School Officers, Jackson Hole, Wyoming, 1974.

[7] Those districts that receive equalization aid and supplemental support often suffer a double loss. With decreased enrollment, the assessed valuation per ADA often increases and the district's supplemental aid is decreased.

[8] "The Imperative of Leadership: A Report on Declining Enrollments," vol. 2, no. 1, (Denver, Colo.: NASBE, July 1976); see also Robert J. Goettel and Robert E. Firestine, "Declining Enrollments

Even more flexible state aid formulas would not, however, deal with the full local budgetary problem of reallocating funds within a relatively smaller budget.[9] Thus, even when district per pupil expenditure (PPE) is stabilized and local budgets are balanced by state aid formulas, the internal budget reallocations made necessary by a relative drop in revenue may mean a qualitative reduction in the educational services available to students.[10] This potential

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and State Aid: Another Equity and Efficiency Problem," *Journal of Education Finance*, vol. 1 (Fall 1975): 205-15; Alan G. Hickrod, et al., *Enrollment Change and Educational Personnel Change in the K-12 Schools of Illinois*, Research Report 3-HYCH-76, Center for the Study of Educational Finance, Department of Education Administration, Illinois State University.

[9] Because we are focusing on the implications of decline, we will not explicitly consider the broader issue of whether the general level of school district revenues are adequate, particularly in urban districts. The economic problems precipitated by enrollment decline are sometimes underestimated; outsiders may not realize that when a district's resources are generally inadequate, then even an absolutely small drop in the rate of revenue increase may act as "the last straw" and seriously exacerbate an already marginal situation.

[10] The wide variation in state financing laws makes generalizations about the budgetary effects of enrollment decline rather treacherous. Indeed, we may be presenting an extreme negative case in the text above. On the positive side, it is possible for districts to benefit financially from a decrease in enrollments if (a) the state contribution is relatively low; and (b) the local tax system adjusts slowly or not at all.

decrease in the quality of educational delivery is a result of at least two factors. First, fixed costs may not be reduced in proportion to an overall reduction in the budget. Consequently, "discretionary" dollars shrink. In other words, the fixed costs per student may rise even though per pupil expenditure remains constant. For example, school districts generally maintain a teacher tenure system and a salary schedule with built-in steps for automatic salary advances (plus an inflation factor). Where "reduction in force" becomes necessary, untenured and thus lower-paid teachers are let go first, thereby increasing the average teacher cost per pupil. Moreover, these increasing fixed costs may be accompanied by possible erosion in staff vitality. For example, the higher average years of experience of the teaching staff and the lower turnover rate might reduce the infusion of new ideas.

The potential disproportionate rise in fixed costs with reductions in district revenue also means a loss in discretionary resources.[11] For example, in addition to supporting core educational services (as well as other fixed costs), many districts and schools develop distinctive instructional programs. A district's capacity to introduce, implement, and sustain improved educational practices depends on its ability to "free up" funds, reallocate resources, and try out innovative educational approaches.[12] It is precisely this "organizational slack" that may be severely restricted when budget cuts are made.

A second factor threatens the quality of educational delivery when enrollment decline reduces revenues--the possible loss of "economies of scale." With the rapid increase in school enrollment, larger school districts (some created by consolidation) were able to finance such additional features as science laboratories, programs for special student groups, specialists and resource staff, in-service training, and alternative programs. Though these facilities and services were often started as supplemental to the "core" programs, they typically have become part of the regular educational services of districts and help to define their unique characteristics. A relative drop in revenue may mean that the district can no longer realize such economies of scale and thus feels that it must terminate these formerly supplemental yet now essential services.

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[11] In a broad sense, the loss of discretionary funds is one example of how a "no growth" situation can limit "organizational slack"--i.e., the resources necessary to adapt to new situations in ways that are not deleterious to educational delivery.

[12] Federal and state special project and categorical funds are often used for introducing and implementing new practices but (with the exception of Title I) they are generally not available for continuation of innovations. Most districts that attempt far-reaching change have used their own funds in addition to whatever "soft money" they have been able to get.

Taken together, the loss of both discretionary resources and economies of scale that result from budget cuts can significantly erode the quality of a district's educational program. The teaching staff have fewer support services and decreased exposure to new techniques and development opportunities; the special programs, sources, and student services may be curtailed, thus increasingly restricting student options to "standard educational fare." The consequent problem posed for district administrators can be summarized simply: the budget cuts brought about by declining enrollment often mean that the district pays the same (or even more) for less educational service.

Organizational Constraints

The demographic, political, and economic changes precipitated by enrollment decline define the new environmental reality to which LEAs must adjust. Accordingly, analysts and policymakers have focused on charting, plotting, and predicting the external events, leaving internal bureaucratic issues largely unexplored. But decline can mean that school districts must adapt their organization within the constraints of the district's *existing* physical plant, student population, staff abilities, personnel agreement, and bureaucratic patterns. The organizational adjustments can be expected to be particularly complex and difficult because they follow upon an unparalleled period of growth in American public education.

District expansion was frequently accompanied by organizational growth in which new activities became part of the ongoing school operations. Some of these activities constituted a new level of organizational functioning that was added on to the system in ratchet-like fashion. District officials and policymakers risk a possible long-term erosion of the quality of educational delivery by assuming they can simply subtract-out that which was added-on during expansion. LEAs are constrained in what they can subtract-out. The costs of reversing decisions made during expansion may be hidden as well as high. In short, the bureaucratic essence of the decline problem--the historical thread that ties the demographic, political, and financial dimensions together--is that the process of contraction cannot be accomplished simply by reversing the process of expansion.

For example, during the period of student expansion of the 1960s, the education sector responded by producing more teachers, advancing administrators rapidly, and initiating massive building programs. Reduced enrollments require that the "supply" of teachers be adjusted (or that other institutional arrangements such as a lowering of the student-to-teacher ratio be made). Thus, one aspect of enrollment decline is an education sector issue of "supply and demand" adjustments--how much must the number of teacher college graduates be reduced or district staff be pared down to be in accord with a smaller number of students? The problem is more complicated than familiar market calculations might suggest. Major difficulties arise because local institutional constraints prevent as easy or rapid change in district personnel or personnel policy. Because district administrative positions, for example, may be reduced or held constant during contraction, career advancement becomes less likely than originally anticipated. Many vice-principalships were created during expansion and were seen as a stepping stone to a principalship; this expectation was realistic in a growing system, but cannot be realized during a "no growth" period. Nonetheless, existing vice-principals are part of the local system and they cannot be "demoted" without severe morale problems. Similarly, the tenure system and teacher unionization means that local districts cannot easily dismiss teachers, nor can they make assignments to balance more senior and often less vital staff. In short, existing organizational agreements limit how successfully "reduction in force" can mirror the original process of staff growth without disrupting the local system and jeopardizing its educational effectiveness.

Another aspect of organizational growth that cannot easily be reversed is the development during the 1960s of such specialized institutional structures as special program offices, curriculum services, media and resource centers, and compensatory education offices. These new institutional arrangements typically replaced activities that previously were at the school or central office level with expanded and more effective services outside of the line organization. In light of the new services, schools and central office staff revised the nature and focus of their activities and areas of responsibility. If LEAs eliminated or reduced specialized structures as a consequence of decline, then schools and central office staff would have to assume tasks which they are no longer organized to fulfill and could not carry out as effectively. For example, in some school districts curriculum service units have replaced and expanded services previously performed by the elementary and secondary divisions; these operational divisions have changed their staff and procedures accordingly so that they do not have the capacity to provide equivalent resource services. The cost to a school district of eliminating the curriculum services division and reabsorbing its activities within the operational divisions would be high. It would entail a loss in effectiveness as well as efficiency.[13]

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[13] We assume here that these specialized services do indeed improve the overall effectivess or "productivity" of school districts. In fact, their effectiveness has varied because their implementation

In summary, it is neither feasible nor desirable for LEAs to attempt contraction by reversing or undoing decisions made during expansion. On the contrary, the main organizational component of the decline problem for many school districts is--or ought to be--to improve their performance in those areas of reform begun during expansion but never effectively realized. We believe that rather than undoing past organizational changes, school districts need to learn to *manage change* better to optimize the delivery of educational services within their resource constraints and environmental situation.

MANAGEMENT OF DECLINE: CRISIS OR OPPORTUNITY

Enrollment decline and contraction thus pose complex situational and organizational issues for school districts. "Solutions" to these demographic, political, economic, and bureaucratic issues may imply fundamental changes in how a district manages itself--that is, in the way a district organizes its internal structures and processes and allocates its resources to adapt to changing environmental and institutional conditions. Therefore, policy and research should confront the basic issue: are school districts willing to adopt significant changes in the way they manage their affairs and do they have the capacity to effectively manage these changes?

This section presents two scenarios about how districts might respond to enrollment decline. On the one hand, the way school districts typically managed change over the last decade suggests a pessimistic view of prospects for the coming time of contraction. Despite the adoption of better demographic techniques or the passage of flexible state aid formulas or the availability of information on how to avoid political disasters, enrollment decline might still precipitate crises in the delivery of educational services if districts continue their current organizational patterns. On the other hand, the reality of contraction--tightened budgets, public skepticims, increasing fixed costs--might force districts to face the hard choices they had previously been able to ignore. Consequently, instead

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has differed. Some school districts have implemented specialized structures in ways that greatly enhance delivery; others have not. Thus, the loss of specialized structures would affect districts differently. Nonetheless, even in districts where specialization may not have proved particularly advantageous, the elimination of such structures would have a high "opportunity cost" because it would foreclose the future development of more effectively implemented services.

of continuing the management patterns that developed during growth, districts might rethink their priorities, re-examine how they allocate resources, and restructure their internal organizational processes.[14] In short, enrollment decline and the associated pressure toward retrenchment may either initiate crises that could erode educational delivery or present an opportunity for school districts to develop the capacity for effectively managing change.

In all likelihood, school districts will "muddle through" decline and pragmatically deal with crises as they come along. In this sense, neither of our scenarios will fully materialize for most districts. We believe that school districts cannot simply muddle through and expect the delivery of educational services to improve or even be maintained. For us, the crux of the policy problem--the justification for treating decline as an issue worthy of sustained research--is to figure out how districts can use decline as an opportunity while avoiding severe crises.

We consider this policy question, which is essentially a management issue, the most fundamental, as well as the least studied, aspect of the decline problem. By exploring the two scenarios, crisis or opportunity, we hope to uncover crucial dimensions of the management dilemmas facing school districts. We will examine critical shortcomings in the way districts have typically managed innovations and consider what might happen if they were to manage decline in the same way. We will also discuss organizational practices that could help districts cope with decline and improve their educational delivery.

Whether an effort to deal with decline involves the introduction of a new planning system, reassignment of personnel, closing of schools, or other solutions, it is likely to imply an alteration or change in existing bureaucratic patterns. It is, in short, a change effort. To reach fruition, it must go through a complex organizational process that can be conceptualized as involving three phases--mobilization, implementation, and institutionalization.[15] The following discussion is organized around these phases.

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[14] R. Martin and R. J. McCartney, "Education's Big Boom Is Ending, but Studies to Get More Diverse," *Wall Street Journal*, April 8, 1976; Joseph M. Cronin, "The Decline of the School as an American Priority," *National Elementary Principal*, vol. 53, no. 4 (May-June 1974), pp. 39-42.

[15] Berman and McLaughlin, *Federal Programs Supporting Educational Change*, vol. 1.

Mobilization

Regardless of the type of change effort used to respond to decline, the most important step in introducing change may be to mobilize support from all levels of the school system. During the period of growth, school people often neglected the need to generate support from the staff and the community. Consequently, many past innovative efforts lacked the commitment and dedication to overcome difficulties inherent in introducing change.

Two organizational characteristics account for past failures to generate support for district change efforts. First, district officials often made decisions in terms of short-run political or bureaucratic concerns. For example, many districts obtained federal dollars opportunistically--just because money was available--rather than securing these special project funds to deal with a well-defined delivery need. Though such pure opportunism may fill short-run political and bureaucratic pressures, this approach to "change" had serious long-run costs; money and political capital were wasted, innovations were not taken seriously, and change efforts were only symbolically implemented. More important, teachers and principals often become cynical about the initiatives and directives of central office officials.

School district planning also has been deficient. In many districts, planning was short-term and crisis-oriented, or it was "top-down" and isolated the staff and the community from the planning process. In either event, the management style and capacity of school districts often failed to generate support during the important phase of mobilizing for change.

What problems can be anticipated for school districts which approach mobilizing for decline in this politically or bureaucratically-oriented crisis style? They may react by adopting an avoidance strategy or by an attempt to "sweep problems under the rug." This may have been a rational strategy during expansion.[16] However, avoidance might be a poor strategy during decline, depending on the magnitude of the district's enrollment decrease. If the magnitude of a district's enrollment decline and financial squeeze is not too severe, these crisis strategies might enable the district to "weather the storm" without "rocking the boat." If the decline difficulties are severe, these strategies by themselves are unlikely to prevent eventual deterioration of the district's educational program caused by the economic and organizational problems previously discussed (e.g., an older and less vital teaching staff or a more narrow menu of special programs). In either case, these responses allow the original but faulty process of mobilization to go unchanged.

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[16] In the era of expansion, public pressures generally did not force districts to make trade-offs. In fact, the way districts handled community demands during this period tended to have just the opposite effect on district decisionmaking. School boards and district officials typically reacted to special interest groups by creating small (often symbolic) special projects that proliferated willy-nilly. This short-term strategy of mollification could be afforded by districts because of the slack available during the period of expansion. But the long-term organizational cost of doing so was seldom considered. Districts often lost the opportunity to develop their staff, to build a capacity for managing change, and to implement significant reform.

How might LEAs mobilize to respond to decline in ways that could have beneficial long-term consequences for school district operations? First of all, districts would have to do comprehensive planning.[17] Such planning would, of course, imply improved local forecasting techniques. But, as we suggested earlier, new demographic information would have to be integrated into an enlightened district decisionmaking process. In particular, a key aspect of mobilization should be to conduct planning so as to generate broad-based support for the district's efforts to change its priorities and its allocation of resources. Support is required from all elements that comprise the local educational system--the community, the local and state governments, and the staff.

Though there is no assured way to gain community support, it seems clear that the old management style of "closing" the system off from the community--and often from the board--does not build the reservoir of trust and confidence necessary to implement hard choices. Greater genuine community participation is needed not only at or after a decision but *during* the planning process. Moreover, depending on local conditions, school outreach activities (e.g., senior citizen programs) may provide both short-run benefits that mitigate the costs of decline (e.g., using surplus space and bringing in new revenues) and the long-term opportunity to open the boundaries of the system.

To gain support from state and local governments, school districts might have to become more actively engaged in lobbying of a positive, not simply defensive form. During periods of growth, districts have regarded governmental financial "relief" as their rightful due. This belief may have contributed to a reactive and dependent posture. In California, for example, many school district officials were effecttively left without a viable operating strategy when the Brown administration failed to come through on schedule with an expected increase in state aid. Few districts had developed alternative policies or initiatives to maintain district services in the event that the state did not "bail them out" as usual. Districts need to change this style if they are to compete with the other powerful forces associated with contraction (e.g., local property tax revolts and the emergence of strong "anti-administration" teacher organizations). More extensive regional and national cooperation among school districts and more active involvement in state legislation would be appropriate.

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[17] Frank Brunetti, "Enrollment Decline Major Issues for 1975," *CEFP Journal*, vol. 12, no. 4 (July-August 1974), pp. 10-12.

Generating support from within the organization for reassignment of personnel or reallocation of the traditional distribution of resources may prove the most difficult aspect of decline, particularly for districts accustomed to a top-down style of management. The literature strongly suggests that resistance to change can be reduced if the staff participates in the planning process. The generation of broad-based support as part of district planning processes requires more than a change in district point of view about community and staff involvement in district affairs. It also requires the development of structures that facilitate the participation and input of both building-level staff and community. One of the most effective arrangements we have seen is a council/conference structure that cuts across the district's divisional lines of authority and involves regular frequent working meetings of staff and community. Representatives of teachers, administrators, and parents meet in their separate conference groups. These groups also send delegates to the district instructional council, the district's official policymaking body which is designed to provide a forum where all of these interests can be heard. Such participatory structures can function not only to secure broad-based input, but can also serve to promote "cross pollination" between groups and special interests in the district. As a result, participatory structures can enable a district to move from a management style of "conflict avoidance" to one that serves the longer-term interest of "consensus building."

Implementation

The typical school district experienced considerable difficulty in implementing innovative efforts during the era of reform. A major source of these difficulties was ineffective mobilization that did not generate adequate institutional support. For example, where teacher commitment and principal support did not exist, change efforts often broke down when conflict or unforeseen events arose. Or, change efforts were implemented in ways that left the staff and school organization unchanged. The ineffective management of specialists also contributed to poor implementation. For example, specialized structures and services of LEAs often did not promote project "learning." Evaluations, which became popularized and often mandated during the period of expansion, were usually summative (thus satisfying bureaucratic or political concerns); they generally failed to play a formative role in the adaptation of a change effort to its local setting.[18] Similarly, specialized support personnel typically did not provide guidance and assistance during implementation because they were not routinely involved in school operations and regularly apprised of school problems and needs.

What implications does this past record have for the coming period of contraction? The creative use of "surplus" space, reassignment of personnel, increased emphasis on in-service activities, revision of budgeting procedures, and similar fundamental changes are likely to run into implementation difficulties. If LEAs were to continue to deal with these difficulties as they did in the past, results similar to those sketched above are likely to occur--that is, even the most promising "solutions" to enrollment decline may be implemented only in a symbolic fashion or may break down during the first few years and then be abandoned. Moreover, if extensive budget cuts and reassignments were to be implemented ineffectively, the educational program might be seriously eroded because the wide margin of error available during growth no longer exists.

In contrast to this worst case scenario, school districts might use decline as an opportunity to develop the district's capacity to implement change. One promising way to deal with reassignment of personnel is staff development, particularly in-service training. Reassigned, tenured teachers who specialized in teaching reading, for example, might require in-service training to smooth the transition to teaching the whole curriculum in lower grades. The "need" to institute such training to alleviate decline also presents an opportunity for LEAs to develop an ongoing staff development program that might enhance the staff's ability to implement change on a continuous basis. In other words, staff development efforts might replace "innovativeness" as a means for "stirring up" and revitalizing the educational system during contraction.

A second area requiring improved management involves more efficient use of specialized structures during implementation. The period of growth seems to have exacerbated a general district problem of a lack of integration and common purpose between the central office and the schools, and indeed, even among schools themselves. Attempts to implement innovations often foundered on--and ended up reinforcing--this district fragmentation. Moreover, specialists and middle-management staff who should have provided integration for the system (e.g., for change efforts) typically did not. This inadequate management caused school people little political difficulty during growth because they could always "experiment" with some new centralization or decentralization scheme. However, in a period of limited resources, districts cannot afford the luxury of marginally effective administrators and specialists. On the contrary, improvement of administrative practices, and the consequent reduction of duplication of service or function, may be a key to realizing the same or even higher levels of delivery effectiveness with fewer resources.

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[18] Effective implementation requires, in our view, a process of mutual adaptation between change efforts and the institutional setting. See Berman and McLaughlin, *Federal Programs Supporting Educational Change* (Santa Monica, Calif.: The Rand Corporation, R-1589/IV, 1975).

Institutionalization

During the period of growth, the typical school district did not seem to pay sufficient attention to institutionalizing change efforts--i.e., to making them a routine part of the district's procedures rather than a temporary or peripheral add-on. This inadequate attention to instituionalization accounts for the often noted tendency of even "successful" changes to disappear after several years.

For example, it was unusual for districts to plan for the continuation of a special project after the end of federal funding. Federal funds were considered as soft money rather than start-up funds. Special projects were simply "added-on" to the core program without planning for their long-term integration into the district's operations. Yet these projects were not "free goods." They not only implied hidden administrative costs, but also established institutional expectations that one or another change effort would replace the "used up" ones. Districts often seemed to feel they did not need to make such initial provisions for continuation because they could, in the period of expansion, always count on getting more funds to try something new rather than concentrating on making the existing change effort work.

The apparent belief in endless growth that was reflected in special project decisions also pervaded most district allocation decisions. For example, during the period of expansion, buget decisions were typically made in an incremental and disjointed fashion. Thus, general increases in district revenues were often added-on to the budget in the form of across-the-board percentage increases to all district divisions. Districts did not institutionalize procedures for making allocation trade-offs because they generally thought--correctly in the growth period--that the district budget pie would expand enough to keep the slices the same.

When faced with a relatively decreasing or "no growth" budget, how might districts respond? Once again, budget cuts made necessary by declining enrollment can be handled as either a crisis or an opportunity. If districts were to view their budgetary situation as they did in the past and continue to make budgetary decisions in the same way, then one would expect such consequences as a general retrenchment and a precipitous curtailment of "costly" programs. Moreover, because "costly" is typically defined by political considerations, programs oriented toward upgrading the overall quality of educational delivery would be likely to succumb to pressures from special interests.

But the the need to cut the budget also presents an opportunity to institutionalize a revised budgetary process as a means of routinely reassessing district priorities. Most districts do not organize and collect cost information in ways that give district officials and board members a sense of the trade-offs among different instructional programs or between instruction and business (or other) operations. Cost-benefit models that exist for the management of firms have been applied successfully in several school systems. However, their use in educational settings runs two risks. First, there is the danger of the technological assumption that such systems as PPBS could be automatically installed without being adapted to and integrated with the bureaucratic and political patterns that constitute the institutional reality of school districts. Clearly, a change in the budget process that would allow trade-offs requires significant changes in organizational patterns.

Second, it could wrongly be assumed that a more rationalized budget process could avoid the value choices and conflicts inherent in public school systems. On the contrary, an objective of new budgetary procedures might be to expose hard choices; i.e., to reveal how much is being "sacrificed" in one area to meet needs or demands in another area. To cope with an increase in potential conflicts caused by exposing hard choices, the entire process should aim to generate support by institutionalizing broad-based participation.

The "fiefdom" quality of school district management is nowhere more apparent than in the budgetary process. Typically, the district budget is prepared by the district business manager in collaboration with the superintendent, and then put in final form by the school board. Other district personnel have input to this essentially closed process only by means of their division budget recommendations. Those recommendations typically inflate division needs and "hide" controversial items. This form of budget preparation provides no forum for an informed discussion of trade-offs. For example, what is more important to the district as a whole--an elementary music program or a secondary drug education project? One district we have visited has successfully dealt with this counterproductive compartmentalization of the budget process by opening up deliberation on priorities and needs to a systemwide participatory structure which permits all members of the superintendent's cabinet to participate in decisions on district allocations. This open process has apparently finally led central office administrators to evaluate the needs of their instituional unit in terms of the educational needs and objectives of the district as a whole. A budgetary process such as this, which opens the area of deliberation and decisionmaking, by no means eliminates conflict, but it minimizes covert (and often divisive) intra-organizational competition and allows informed debate to focus on broader district plans and goals.

In sum, the "solution" to enrollment decline ultimately rests with local school districts. They might react to the demographic, political, economic and bureaucratic problems associated with decline in much the same way as they reacted to growth. If so, a continuing struggle to simply "stay in place" or an erosion of educational delivery seems likely. Instead, LEAs might take the opportunity to attempt to improve their operations and management practices. Assuming that research can identify practices that ought to be changed, the capacity and willingness of districts to mobilize, implement, and institutionalize these changes should be considered a critical issue for research and policy.

TOWARD A RESEARCH AGENDA

The preceding discussion of the environmental and organizational constituents of enrollment decline and the issues associated with the capacity of school districts for managing change form a background for developing a research agenda on declining enrollments. We believe the central thrust of such a research agenda should be on how local school districts can use the adversity of enrollment decline and contraction as an opportunity to improve educational delivery while avoiding short-run crises. This chapter has argued that this requires a systematic understanding of the management of school district operations. Specifically, we believe the basic research component of the research agenda should aim to: identify areas of school district management capacity and style that should and can be changed; determine strategies that districts might use to implement these changes; and recommend state and federal policies that might assist school districts in changing themselves (and also recommend federal policies that might assist state educational agencies to adopt appropriate policies and practices toward the local decline problem).

The applied research component of the agenda should consist of a series of complementary empirical studies. Based on our earlier discussion of the alternative ways districts might manage decline (as a crisis or an opportunity), the areas sketched below are candidates for applied studies. We selected these because (a) they represent issues that most districts facing decline will have to make decisions about for better or for worse; (b) they seem amenable to short-run analyses; and (c) they both reflect the basic problem of managing change and must be addressed by any district attempting to strengthen its capacity to manage change.

District Use of Comprehensive Planning for Decline

Comprehensive planning connotes an approach to district management and decisionmaking that takes a long-term and "system" perspective as opposed to the more immediate short-range "crisis management" view. Developing an operational, well-articulated model of comprehensive planning to guide district behavior and activities is a long-range research objective. Nonetheless, there are a number of components of comprehensive planning that are immediately relevant to districts facing a decline in student enrollment and about which applied studies could provide timely information.

Facilities Planning

Districts usually employ a straightforward cost/benefit calculus in determining which building sites to maintain, which to close temporarily, and which to sell. It has become apparent, however, that the "costs" to be considered in facilities planning extend beyond dollars and cents. Specifically, serious environmental or neighborhood impact issues have begun to be identified with the closing of school sites. Yet these considerations remain relatively unmapped and unarticulated. Applied studies might aim to develop techniques for local school districts to generate systematic information on the nature and long-term significance of environmental or neighborhood components of facilities planning--effects on property values, crime rate, local support for schools, migration patterns, and so on.

Coordination of Municipal and School District Planning

The relative isolation of school district governance and planning from the activities and planning of their municipalities has resulted in the duplication or mismatch of services, decisions, and facilities in a number of areas--e.g., recreation, health care, transportation, continuing education, bicultural services, rezoning decisions, road improvement programs, and so on. Though the wasteful and inefficient management practices that resulted from the partitioning of community services and the isolation of school district administration could be tolerated during a period of growth, perpetuation of these governance and decisionmaking patterns unnecessarily limits the response of both the district and the municipality to the pressures of a budget squeeze. Applied studies might analyze possible schemes or processes of cooperation and coordination that could minimize these inefficiencies and suggest how districts and municipalities could work together in their mutual best interest.

Forms of Regional Cooperation

Declining enrollments have forced or may force districts to severely reduce or eliminate support services (such as curriculum resource personnel, aids, teacher centers) and curriculum services (such as library facilities, field trips, enrichment activities, alternative programs) that contributed to the quality of a district's educational program. Inter-district or regional cooperation to secure and provide such services presents clear economies of scale. However, past efforts to structure and deliver such consolidated and coordinated services--through early Title III PACE centers or through district consortia, for example, have not been consistently successful either in securing appropriate district participation or offering what districts saw as useful and relevant services. Past experience suggests that there is much to be learned about the incentives, structures, and processes necessary to the effective functioning and utilization of regional or cooperative efforts.

New Budgetary Procedures

To make trade-offs within and across different line operations, some school districts have experimented with budgeting procedures derived from business operations. The first task of policy research would be to identify "effective" budgeting procedures. However, research and policy should deal with two related issues. First, the implementation of these management practices can be expected to be difficult. What strategies can school officials use to make sure these practices work? Second, budgeting procedures that in fact allow the "cost" of various options to be weighted are found to produce unanticipated effects on a wide range of school district operations. What impacts would these budgeting procedures have on bureaucratic patterns, educational delivery, and community relations?

Training for Administrators and Teachers

Staff Development (In-Service)

Staff development needs can be expected to become more acute and more significant as enrollment decline greatly reduces the number of "new hires" in a school system and requires restructuring the functions and career paths of remaining staff. Unfortunately, administrators and teachers alike believe that staff development or in-service efforts have generally been ineffective. As a result, staff development is often viewed by districts as an ancillary activity that is a likely candidate for reduction as declining enrollments force budget cuts. Though such staff development strategies as one-shot use of outside consultants or mandated after-school sessions to introduce new technologies are widely seen as inadequate, there is presently little guidance as to more effective techniques or alternative models. Research is needed (a) to determine approaches to staff development that can foster growth and learning; (b) to identify school district policies and procedures that can provide incentives for significant staff involvement in in-service activities; and (c) to identify LEA practices that would furnish opportunities for more relevant coordination between staff development activities and classroom practices.

Pre-Service Training

Just as there is general agreement that most currently available in-service or staff development activities are inappropriate in both format and substance, so is there growing consensus that the pre-service training offered by schools of education does not adequately prepare teachers or administrators for the reality and demands of their jobs. What should a revised school of education curriculum look like? Important data would come from practitioners themselves. Many superintendents contend that traditional training in "educational administration" is out of date. They would like to see courses that would help them function more effectively in the political and bureaucratic realities of today's school systems. For example, school superintendents often complain that the required course work in personnel, budgeting, and the like is not relevant to the jobs of most superintendents today--personnel directors and budget directors handle these responsibilities. In addition to surveying practitioner preferences, United States notions of restructuring pre-service education might profitably be informed by the experience of teacher training institutes in other western countries such as England and Norway.

Balance Between In-Service and Pre-Service Training

A related and more basic inquiry in the area of staff development is the preferred balance between pre-service and in-service efforts. Many states--California, for example--focus almost exclusively on the support and oversight of pre-service efforts. Yet experience with efforts to introduce innovations in local schools suggests that district staff cannot know what it is they need to know until they need to know it. Furthermore, research on teaching indicates that the developmental needs of a first-year teacher are very different from those of a third-year teacher and a teacher with five or more years of experience has still different skills and pedagogical needs. This research on the sequencing and substance of staff needs implies that in-service training comprises the more fruitful focus for staff development efforts. More research is needed to suggest what should be the optimal mix and sequencing of professional development activities.

Participatory Structures

Though issues of community involvement and increased staff participation in district decisionmaking received attention during the decade of expansion, these concerns generally were not pursued vigorously either by staff or community (except perhaps in the relatively isolated cases of model cities programs or the parent advisory structures mandated by ESEA Title I). Since there was generally "enough to go around" during the period of growth, staff and community participatory structures often were not perceived by the intended beneficiaries as critical to achieving their special goals. Thus, it is not surprising that most demands for increased participation resulted in *pro forma* desultory arrangements that were typically viewed by district officials as a necessary ritual and by participants as ineffective.

A much higher premium should be placed on the establishment and effective operation of participatory structures during a period of declining enrollments. A growing number of practitioner case studies point to the serious (and often unexpected) political and bureaucratic problems that result when these decisions about district response to enrollment decline are made behind the closed doors of the superintendent's cabinet or in executive sessions of the school board.

What kinds of structural arrangements can support meaningful participation of staff and community in district decisionmaking? To what extent does increased participation mean shared power? What kinds of authority should be delegated? What kinds of feedback systems are necessary to ensure the healthy functioning of participatory structures? Who should participate? How should participants be selected? Answers to these and other questions about the integration of participatory structures into standard district operating procedures can probably only be answered by a field analysis of operations in the relatively few districts that have succeeded in establishing these structures during a period of growth.

Collective Bargaining

Although state and federal governments cannot directly influence the direction and substance of collective bargaining by teachers, efforts by these outside agencies to influence local practice and behavior will be significantly affected by the bargaining activities of teachers' organizations. Specifically, the flexibility of local school systems in determining new staffing patterns and responsibilities in response to declining enrollments and shrinking budgets will be greatly reduced by the negotiated agreements with the teaching staff. State and federal policies seeking to assist and support efforts to improve local practices require a realistic assessment of the staffing options available at the local level.

State Financing Formulas

A consistent complaint by local districts is that state financing formulas are neither sufficiently flexible or realistic to deal with changing school population. The variety of state formulas currently in use present what is in effect a natural experiment for policy analysis. Systematic examination of existing state practices and their impact on local school districts would be useful to state policymakers as they rethink their own formulas. There is, in addition, a question about whether the existing alternative state aid formulas take into account all of the independent variables that impact on local practices during a period of declining enrollments. Assessment and revision of state aid formulas, then, would benefit from a closer look at the combinations and permutations of factors that influence school district management during a period of decline. In addition to such field analysis, consideration of state aid formulas should also include a review of state education legislation and a determination of how these state laws constrain local choices and decisions.

State and Federal Roles in Local Institution Building

A period of declining enrollments can forecast, as the previous section argued, either a "crisis" in which the quality of educational services can be expected to erode, or an "opportunity" in which school districts can reassess their management and strengthen the overall capacity of their institution to deal with decline or growth. Though it is clear that most districts lack the capacity to manage change--to adapt effectively to their changing environment--it is not clear how state or federal governments could best assist local districts to build their institutional capacity. Up to now, these government agencies have tended to focus on narrow and discrete aspects of school reform (such as curriculum) rather than on the more fundamental problem of institutional capacity. Furthermore, assistance to local districts has typically been defined by change products rather than by change process.

There is little experience, then, that can help define a useful and appropriate state or federal role in supporting local institution building efforts. This difficult issue is further complicated by national traditions of federalism and pluralism that explicitly or implicitly constrain state or federal involvement in local school affairs. Nonetheless, there do appear to be legitimate and fruitful areas of state and federal concern--the categorical funding of staff development programs, for example, Furthermore, it appears that few school districts have the resources to accomplish the task of institution building by themselves. The role of state and federal governments in local institution building, then, appears to be a critical research area that requires both a "macro" analysis of the constraints and possibilities of action at the state and federal levels, as well as analysis of the "micro" reality--that is, information about local needs and about how local districts can best make the transitions necessary to effectively manage change.

In summary, the research agenda ought to comprise a mix of applied studies and basic research. The above list suggests a number of applied studies that could provide information for timely and focused assistance to school districts struggling with the specific problems generated by declining enrollments and the general problem of strengthening local capacity to manage change. However, it is important that these applied studies be undertaken in conjunction with basic research on school district behavior. The applied studies are limited inquiries and can furnish only partial answers to the problem of school district management. Basic research is needed to provide a theoretical perspective so that applied studies can stay on track and be cumulated. Furthermore, basic research can help establish parameters, particularly for the instructional context, that need to be adjusted if applied recommendations based on one set of cases are to be used in other settings.

CHAPTER IX

ENROLLMENT DECLINE: THE DILEMMA FROM THE SUPERINTENDENT'S CHAIR

William F. Keough, Jr.

INTRODUCTION: YESTERDAY, TODAY, AND TOMORROW

In communities across the country, budgets are being defeated, board members are failing to be re-elected, and school superintendents are being dismissed. The issues behind these events are suddenly becoming known through the media, educational conferences, and community forums. They are the phenomena of the 1970s: declining elementary school enrollments, half-filled elementary classrooms, program area budget cutbacks, and proposed elementary school closings.

Just twenty years ago, the major topics at the educational conferences reflected the problems of the 1950s--the four Bs: bonds, budgets, buses, buildings. Returning GIs had married and moved to suburbia to start families. Young communities struggled to provide the required services--and the major service was schools. This was a period of unprecedented educational growth--thirty to thirty-five pupils in overcrowded classrooms, school days extended into split sessions, two or three simultaneous school building construction starts in the same district were all commonplace.

The "baby boom" years have passed. The children of the boomtown suburbs and swollen urban areas have gone through the schools. What educators face today is another unprecedented educational period of statistics, but this time the direction is reversed: low-ratio classes with seventeen to twenty pupils, a surplus of school space, and school building closings.

Declining school population is not the only effect to come from the national trend toward Zero Population Growth. We are, as a society, coming face to face with the new era of no-growth. "Baby boom" growth based businesses (Gerber's, Johnson & Johnson), hospitals (especially maternity wards), baby-specializing professionals (pediatricians, obstetricians), and many others in all the walks of youth-oriented life are feeling the results of the dramatic decline. The drop in live birth rates and plummeting fertility ratios will have far-reaching economic and cultural effects in American society.

This loss in children is reflected in school enrollments. A survey of Illinois schools shows that there will be a 7 percent to 12 percent statewide enrollment shrinkage in elementary and secondary schools by 1980. In Chicago's north shore suburbs, Niles Township had a 50 percent enrollment drop in first grade. In Champaign, Illinois, four elementary schools have closed in four years. These situations are typical of what other districts face, or will face in the near future.

As for the local savings given declining enrollments, the sad reality is that there are few ways to hold down spiraling taxes. For most communities, the increased costs of utilities, mandated services, salaries, and school supplies and equipment alone demand increased taxation, even without new programs. Many school districts have had to cut program and staff just to hold the budget to last year's tax increase level.

The economics are disheartening and bewildering. If the cost of educating 1,000 children is $1 million, then, when enrollment drops to 500, the district budget and school tax rate should theoretically reflect a 50 percent reduction. This just doesn't happen; the budget figure and tax rate stay the same, or even go up. Communities find it difficult to realize that had the enrollment stayed at the same 1,000 pupil level, the new costs would probably by now have escalated to $1.5 million. Most districts are facing teacher salary increments between the 8 and 9 percent level. Fuel cost increases alone not only eat up the differences gained through enrollment decline, but actually escalate the budget figure. That lowered enrollments equal budget decreases is a great myth. It is understood to be a myth by school administrators and board members, but not by taxpayers.

These paper statistics and problems will manifest themselves in the form of people problems in the years ahead. Increased costs will require more efficient use of buildings. Coupled with lowered enrollments, this may mean school building closures, program area budget cuts, and a decrease in educational options.

Suburban-Urban

Dwindling enrollments are not limited to any specific geographic area. Suburban communities and inner-city areas alike are experiencing declining enrollments. While the causes and the feasible solutions for dealing with enrollment decline are different in each area, the problem is very much the same: *people*. Parents worry that the neighborhood school will close because of consolidation; teachers worry about program cuts and job loss; superintendents worry that as enrollments decline, funds will diminish, programs may be reduced, and the diversification in schools will be trimmed to a point that educational quality will hang in the balance. When parents, teachers, and superintendents worry, board members worry.

School people intuitively know that it is easier to expand programs and build schools than it is to effect budget reductions or to close schools. Building implies growth and expansion. A community's need for schools is a symbol of its youthfulness and vitality. When schools were being built and new programs added, parents were young and on the threshold of their family lives. It was an era of promise that seemed like a fulfillment of the American dream.

Budget reductions and the possible closing of a school in these same communities, marks the passing of the years. Children have grown. Parents have lived through their younger years and are now approaching a calmer middle life--a fact many communities in mid-life crisis are reluctant to face.

These suburban communities seem to share some characteristics. They are affluent havens lying on the perimeters of Metropolis, U.S.A. The rapid land value escalation of the past twenty-five years has produced high-priced homes which are, in today's market, financially out of reach for young couples just starting family life. These communities have little land available for new development. Most are built to capacity or saturation. Construction of middle- or lower-middle income housing is not possible. The net result is a low-mobility, mid-life community with a low turnover of homes and few young families. Children have passed or are passing through the schools in a consistently declining enrollment pattern.

In the urban areas, "white flight" to the suburbs has left row houses built on now valuable land. These are being eaten up by business corporation bulldozers clearing the way for prime-space office buildings. Block-by-block, largely residential city neighborhoods have been replaced by business districts. Those who have stayed on to retire have seen their children leave city homes for suburbia and a "country" way of life. Today these remaining houses provide temporary shelter for the city's poor on their way up and out.

Because of the high cost of urban living, rapidly shifting populations, and neighborhood changes, the migration of middle-income young couples with children into urban areas is minimal. What remains is a highly mobile community of people of widely disparate age groups. It is a community of low or fixed incomes. Its social and educational needs cannot easily be fulfilled by the schools.

Inner-city dwellers constantly struggle against isolation and lack of community identity. Fear of violence, hesitancy to become involved with temporary neighbors, and the transient quality of neighborhoods rob the city dweller of a sense of belonging. The local school is frequently the only community unifier. Closing this facility or a cutting back of budgets for out-reach programs often spells just further isolation.

The Critical Concern

As these suburban or urban districts contract, what will be the critical concern of superintendents and boards? It will not be solely buildings or budgets; these concerns will be time-consuming and laborious, but the critical concerns will have to be people--parents, teachers, principals, and children.

Board members will face public meetings where formerly loyal supporters will raise angry fists to protest program area budget cuts or the closing of a neighborhood school. Superintendents will spend long hours in contract negotiations coping with teacher organizations' demands for jobs, security and RIF (reduction in force) clauses. Community backlash will bring about frequent board member turnover which, in turn, may thwart continuity in planning. Scathing anti-board/administration editorials in the local press will whittle away credibility. Pages-long petitions and legal action attempts by special interest factions to keep open local schools will be costly and time consuming. Angry phone calls from constituents and pickets at the board of education offices will all be part of the picture.

Accompanying all of the above will be the personal agonies of firing young, competent teachers to keep sometimes less able, tenured staff members because of seniority-oriented RIF policies. In addition, minority group teachers hired just a few years ago will be among the first to go.

The list is long and it frightens even the most able school people. And for the superintendent, even if he/she can "beard all these lions," there is no assurance that his/her next contract option will be renewed. Many communities are answering these problems by firing the superintendent. Just as educational conferences in the 1950s reflected the issues of the times, today's conferences suggest the concerns of the schoolmen of the 1970s. It would be logical to assume that the number of fired superintendents was significant enough to warrant the inclusion of sessions entitled *Superintendents Under Seige: When to Fight, When to Run*, at the AASA Convention in Atlantic City, while the American School Board Journal ran articles on *How to Fire Your Superintendent*. The superintendent ranks are becoming flooded with people who "write out their business cards in pencil."

A public that has been led to believe that larger enrollments mean larger budgets will need to be disabused of the idea that smaller enrollments will mean smaller budgets. Failure to convince the public will inevitably lead to declining educational quality, distrust of education, and discord in the profession. Superintendents have faced and met the challenges of people concerns before--they have built America's schools, integrated those schools, and guided education within them. Declining enrollment presents but one more challenge to be added to the long list of leadership accomplishments for our school superintendents.

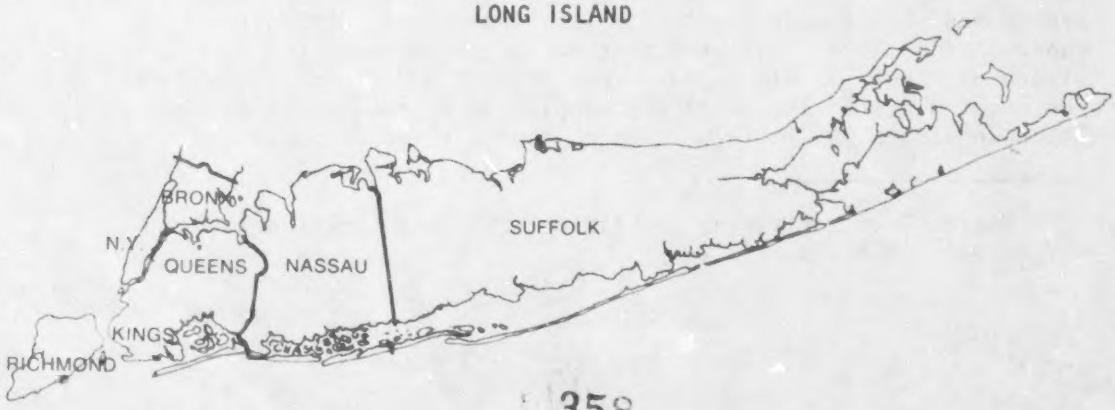
SUBURBIA: SCHOOL GROWTH AND DECLINE

The national post-World War II population sprawl from urban areas to first-ring suburbia was evident in the metropolican New York area. It is most easily illustrated by examining the rapid development of Long Island.

Long Island is a strip of land which stretches eastward from New York City into the Atlantic for approximately 200 miles. Its western end includes the populous New York City counties of Queens, Kings, and Bronx. To the east are Nassau and Suffolk counties; they have registered the most growth during the last few decades.

FIGURE 9.1

LONG ISLAND



The eastward population growth had its maximum impact on Nassau county in the decades between 1940-60. Suffolk county received the eastward growth in the subsequent decade. Growth is still taking place in eastern Suffolk county, although not at the rate registered in the earlier years in Nassau and western Suffolk.

TABLE 9.1

LONG ISLAND'S PERCENTAGE OF POPULATION GROWTH WITHIN THE TOTAL NEW YORK METROPOLITAN REGION[1]

	1920-30	1930-40	1940-50	1950-60	1960-65
Nassau County	6.8%	11.2%	16.8%	25.3%	7.1%
Suffolk County	1.9%	3.9%	5.0%	15.8%	19.2%

Accompanying the population movement was the inevitable expansion of schools. The end result was that more than 100 separate school districts now serve the more than 2.5 million population of Long Island.

"Moving out to our own home on the Island" was the motivation for many city dwellers in the postwar period. Veterans were returning, the wheels of industry were humming; Northern State Parkway, Southern State Parkway, and the Long Island Expressway, all stretching west to east through the island, were the yellowbrick roads for the would-be suburbanites. Flushed with the pride of ownership and charter membership in new neighborhoods, the public dedicated itself to building schools for the "baby boom" and raising taxes to run these schools. The years of expansion were difficult but rewarding. Nassau county suburbs built a reputation for quality education, which attracted even more growth.

Studies indicate that Nassau county's population increased about 55,000 per year in the 1950s. In the 1960s, its population growth had slowed appreciably, registering only 15,000 increase per year. A 1969 study indicated that Nassau, under existing zoning standards, could handle no more than 150,000 additional individuals. The housing start rate of 29,663 single-family residences of 1950 had dwindled to 995 in 1970. Vacant land was nearly gone!

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[1] Nassau County Planning Commission, *The Data Book* (Carle Place, N.Y.: June 1974), p. 176.

The same report showed that the eastern end of Long Island, Suffolk county, with its existing zoning, could handle an additional 2.5 million population, more than twice its 1969 population.

However, as the decade of the 1960s closed, growth on western Long Island subsided. The percentage of growth registered in Nassau county for 1960-65 dipped to below its pre-war growth ratio of 11.2 percent for the years 1930-40.

Implications for Schools: Decline of Schools as Community Priority

The results of the population growth standstill can be observed throughout Nassau county's fifty-six school districts. Parents who brought students to the area ten or twenty years ago have remained, while their children have graduated and left behind them a wake of empty desks, smaller classes, and half-empty schools. Ironically, the parent builders of the suburban schools of yesteryear are no longer members of the school constituency. Instead, they seek long-needed services in transportation, energy, police and fire protection, and waste-removal--to mention just a few of their new concerns. As they age, so does their community and education tumbles farther down the public priority list.

The Nassau County Planning Commission reports that the numbers of older citizens will increase markedly in the next ten years, thus creating a stronger sub-population with interests in public services other than schools.

TABLE 9.2

CHANGING NASSAU POPULATION[2]

	Percent of Change	Percent of Total Population			
Age Group	1970-85	1970	1975	1980	1985
50+	+ 34.2	24.1	28.3	31.3	31.7
0-19	- 36.1	38.2	32.6	26.9	23.8
5-18 (school age)	- 46.0	21.7	21.0	19.1	15.6
TOTAL POPULATION	+ .02				

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[2] *Ibid.*, p. 185.

The table depicts the changing realities of the 1970s and mandates school district adjustment to a strategy best described as "management of decline."

Increasing Local Costs, Decreasing State Support

As enrollment has steadily declined in Nassau since 1970, the cost of educating each pupil has grown 43 percent. Ironically, many districts are still committed to heavy payments toward school construction bond indebtedness. Built-in salary costs, bolstered by cost-of-living increases and escalating energy and supply costs, all contribute to the per-pupil increases. They are not the sole causes, however.

According to the Nassau Planning Commission, the area's fifty-six school districts will show an enrollment drop by 1985 to 179,500; this is a 45 percent decrease from the 1970 figure of 326,598.

The combined budgets of the Nassau districts have risen from 588 million in 1970 to 753 million in the 1976 fiscal year, an increase of 28 percent. During the same six-year period, enrollment has dropped 10 percent. The net result of rising budgets and declining enrollment was an increase in the per-pupil cost of education from $1,801 to $2,578.

As enrollment dropped, the amount of taxable real property per pupil increased, thus creating an artificial image of increased local ability to pay for education. Wealth per pupil or "ability to pay" is a factor in New York and many other states' aid to education formulas. Caught up in the dilemma of *artificial growth* in per pupil wealth and *true decline* in state financial aid to local education, Nassau's schools were faced with a 35 percent increase in the amount of school costs to be raised at the local level.

As local taxes increased for fewer pupils, so also did community tension, anxiety, and clamor for reductions. The focal point for these tensions was the neighborhood school, which in its infancy had been a rallying point for parents of the 1950s and 1960s. These schools had housed cake sales, parties, political rallies, annual taxpayer meetings, and had generally served well the residential area of which they had become the focal point. By a twist of fate, many of these very neighborhood schools which were now underenrolled began in the mid-1970s to become islands of controversy, swept up in the turbulent, philosophical conflict between proponents of economic conservatism and the champions of the local residential area schoolhouse.

As taxes rose, taxpayers defeated at an alarming and increasing rate the annual school budgets. Boards of education and administrators responded with cost-saving plans for consolidation of schools and closings of underutilized neighborhood facilities, but the "Save Our School" contingents not only voted down their plans, but sometimes voted board members out of office.

CASE STUDY OF EAST MEADOW, NEW YORK: A SUBURBAN SCHOOL DISTRICT

Long Island's development can be considered a demographic illustration of suburban sprawl from the core city (New York) through the first-ring communities and onward to the second-ring communities. The first-ring areas (Nassau and western Suffolk counties) were developed nearly to saturation in the 1950s and 1960s; the second-ring areas (eastern Suffolk) are still grappling with growth slowed only slightly by the economy of the mid-1970s.

Similarly, East Meadow can be examined as a classic example of "first-ring" community development of the 1946-60 period which has "grown older."

Background

East Meadow is located in the heart of Nassau county, approximately thirty miles from New York City. Lying south of the Northern State Parkway and just north of the Southern State Parkway, it is a community of middle-class, single-family residences (see map in Figure 9.2[3]).

Immediate post-World War II development of these Northern and Southern State Parkways opened up the central Nassau county potato fields to housing development. East Meadow and an adjacent cluster of hitherto nameless potato fields became the booming residential school districts of the 1950s. East Meadow's neighbor to the west was named Levittown, after or by its developer.

The housing construction machine had swept through central Nassau county. By 1960, the previously quiet farm community of East Meadow had more than 11,000 housing units. East Meadow's neighbor, newly-created Levittown, had seen 15,741 housing units symmetrically drawn, development style, onto its potato field landscape by 1960.

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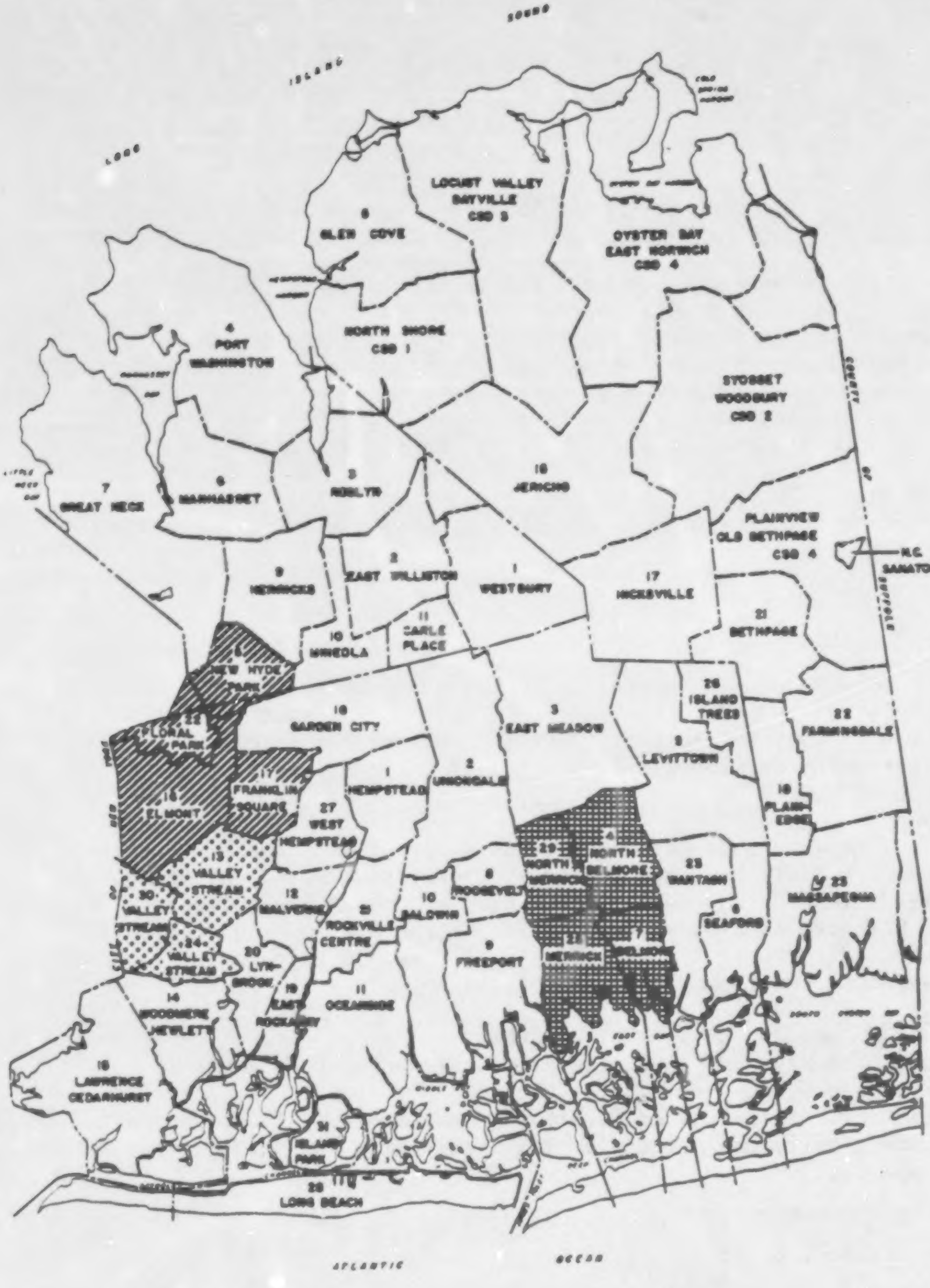
[3] *Ibid.*, p. 235.

FIGURE 9.2 **NASSAU COUNTY SCHOOL DISTRICTS**


LONG ISLAND SOUND
5 GLEN COVE
LOCUST VALLEY BAYVILLE CSD 3
OYSTER BAY EAST NORWICH CSD 4
4 PORT WASHINGTON
NORTH SHORE CSD 1
SYOSSET WOODBURY CSD 2
7 GREAT NECK
6 MANHASSET
3 ROSLYN
15 JERICHO
PLAINVIEW OLD BETHPAGE CSD 4
N.C. SANATORIUM
9 HERRICKS
2 EAST WILLISTON
1 WESTBURY
17 HICKSVILLE
21 BETHPAGE
5 NEW HYDE PARK
10 MINEOLA
11 CARLE PLACE
18 GARDEN CITY
3 EAST MEADOW
26 ISLAND TREES
22 FARMINGDALE
22 FLORAL PARK
5 LEVITTOWN
17 FRANKLIN SQUARE
1 HEMPSTEAD
2 UNIONDALE
18 PLAINEDGE
16 ELMONT
27 WEST HEMPSTEAD
13 VALLEY STREAM
29 NORTH MERRICK
4 NORTH BELMORE
23 WANTAGH
23 MASSAPEQUA
30 VALLEY STREAM
12 MALVERNE
8 ROOSEVELT
10 BALDWIN
21 ROCKVILLE CENTRE
6 SEAFORD
24 VALLEY STREAM
20 LYNBROOK
9 FREEPORT
MERRICK
7 BELLMORE
14 WOODMERE HEWLETT
19 EAST ROCKAWAY
11 OCEANSIDE
15 LAWRENCE CEDARHURST
31 ISLAND PARK
28 LONG BEACH
COUNTY OF SUFFOLK
ATLANTIC OCEAN

LEGEND

- ▩ VALLEY STREAM CENTRAL HIGH SCHOOL DISTRICT.
- ▨ SEWANHAKA CENTRAL HIGH SCHOOL DISTRICT.
- ▦ BELLMORE-MERRICK CENTRAL HIGH SCHOOL DISTRICT.

THE INFORMATION SHOWN ON THIS MAP HAS BEEN OBTAINED FROM THE RECORDS OF NASSAU COUNTY DEPARTMENT OF ASSESSMENT AND IS BELIEVED TO BE ACCURATE.

THE NASSAU COUNTY PLANNING COMMISSION

PLATE 363

Development was complete by 1960. Neither community saw more than a 5 percent increase in housing by 1970. In population, Levittown grew by 164 from 1960 to its 1970 total of 65,276. In the same period, East Meadow increased its 1960 total of 46,036 by a mere 254.

Enrollment

Because of its early development, the East Meadow district reached a peak enrollment of 18,500 pupils in the 1963-64 school year. By 1970-71, students totalled 15,470 and taxes were escalating. Enrollment dropped to 12,300 by the 1974-75 school year. The tax base had not broadened and consisted mainly of homes. Eighty-nine percent of these homes were owned by tenant-taxpayers, many of whom no longer had children in the schools.

In the 1970-75 school years, the per-pupil cost rose 47 percent; the local school tax increased 34 percent; state aid to education decreased in accord with pupil loss and the artifically inflated wealth per pupil.

Homeowners were property-rich and tax poor! Those who might have moved out were prevented from so doing by the poor mortgage conditions. Young families who could find and afford available housing were either having fewer children or delaying the start of their families. Enrollment of the 1974-75 school year showed 1,203 members of the senior class and 652 first graders!

Public Reaction

Like many school budgets in America, the East Meadow budget must be approved annually by the voters. If not passed the first time, the budget is re-examined by the school board and, following a series of public hearings and/or budget cuts, is re-submitted for voter judgment.

The annual East Meadow school budget did not pass on the first try from 1972-73 to 1974-75. In 1975, the budget was approved, resulting in a year of austerity.

These budgets were not defeated because East Meadow could not afford them. The median family income in East Meadow was $14,277 in 1970. Nassau county ranks third in the list of the top twenty-five counties in the nation in median family income. Only Montgomery county, Maryland, and Fairfax county, Virginia, exceeded Nassau's $14,632 (1970) median family income. Public reaction therefore must be considered to be molded from many factors besides family income, ranging from shifting priorities among an aging population to mistrust of local or state government.

School Officials Response

In 1972-73, the East Meadow school board was providing education for 13,902 students in eight elementary schools, two junior highs of grades 7-9, one junior-senior high school, and one high school.

By early spring of 1973, the school board had exercised all options in its efforts to satisfy a tax-burdened community. It had been ten years since the peak enrollment of 18.500. Difficult-decision time had arrived and the population had to face the reality of its own aging. It was no longer a young, spirited, and vibrant community, born of the potato fields.

Accordingly, the school board received the recommendation of school superintendent Martin Walsh that the Salisbury Elementary School in the northern sector of the district be closed and its students re-assigned to other schools. That year this school had an enrollment of 200 regular class students, only 25 percent of a capacity rated at twenty-five students per room.

The recommendation to close the thirty-three classroom Salisbury school represented the district's first attempt to economize through facility consolidation. Superintendent Walsh argued that savings would be derived from teaching, administrative, and custodial staff cutbacks, as well as from eliminated operational costs. Accompanying his recommendation for closing was advice that the state's Bureau of Cooperative Educational Services (BOCES), an intermediate level educational agency, would rent the facility for $210,000 annually.

The combination of school district savings plus income from the state agency initially appealed to the school board. It announced what appeared to be a financially sound response to public demand for efficiency and showed imaginative thinking in the face of drastic enrollment drop.

Shock, dismay, surprise, and anger were but a few of the emotions which this recommendation triggered among the parents of the Salisbury school area. Public expressions of indignation, public hearings in crowded halls permeated with tension and pent-up frustration, and even attempts to block such a closing by court action were among the responses of the neighborhood whose school would be phased out. The superintendent watched as teachers and administrators united in opposition to his counsel to a harassed board of education. He was experiencing firsthand the hardships of the "management of decline." In June 1973, the Salisbury Elementary School was closed by a 6-1 vote of the Board of Education.

As difficult as this process appeared to be in 1973, it was barely a harbinger of actions to come in the spring of 1975. For brevity, the 1975 action will be described chronologically. School superintendents and school boards may benefit from observing the increasing difficulties which the East Meadow schoolmen encountered the second time around.

Chronology: Closing of Second Elementary School in 1975

January 1975

Superintendent Walsh reported that the closing of one of three designated elementary schools, due to enrollment decline, would not have a deleterious effect on the district's educational program. Savings to the school district were estimated to be about $315,000. Enrollment will drop by 536 in the next year.

February 1975

Six hundred residents appeared at the first of two public hearings to protest the school closing plan.

Traffic hazards and crowded classes are the expressed concerns.

The savings projected by the superintendent are challenged.

Teacher association and Administrator Association presidents denounce the plan. They project "grave consequences" if plans are approved. In addition, their organizations feel that the superintendent's recommendations "would destroy effective education."

March 1975

At an early March meeting the school board unofficially voted (5-2) at a closed meeting to phase out Prospect Avenue Elementary School in June and re-assign its 543 pupils.

March 24, 1975

At a March 24 meeting, attended by more than 600 residents, the school board voted 4-3 to close Prospect Avenue School in June and re-assign its 543 pupils.

- Parents now sought to prevent the closing with court action.
- Chaos reached the near-violent state prior to the final vote.
- Protest leaders moved to defeat the budget.
- Two hundred teachers picketed the meeting.
- Parents carried placards proclaiming SAVE OUR SCHOOLS.

April 1975

School board accused in court by parents of "arbitrary and capricious" action.

One hundred parents removed their children (200) from Prospect School on April 29th and staged a two hour rally in front of the school in the A.M.; in the afternoon, all demonstrated in front of the superintendent's office.

May 1975

School board chairman who cast the deciding vote (4-3) on the closing, announced intention not to run for re-election in June.

Board members opposed to closing announced plans to call for reconsideration when the new school board convenes after the June election to fill two board vacancies.

June 1, 1975

TAXPAYERS INTERESTED IN EDUCATION (TIE) endorsed two candidates, both committed to re-opening Prospect School.

CITIZENS UNITED FOR EDUCATION - INTERESTED TAXPAYERS (CUE-TIE) endorsed two candidates opposed to Prospect re-opening and favoring tighter money controls.

June 4, 1975

TIE candidates, those supporting Prospect re-opening, were elected to the school board.

July 2, 1975

Newly-constituted school board met and discussed Prospect School re-opening.

August 4, 1975

School board voted 4-2 to rescind Prospect School closing action of previous school board.

By that final action to re-open a closed school, the East Meadow school district officials were frustrated in their attempts to respond to a revolt by taxpayers, 70 percent of whom no longer had children in the schools.

Throughout the United States, with the possible exception of certain growth areas in third- and fourth-suburban rings or in the still growing south and southwest, the East Meadow experience and the quandary of its superintendent of schools are being duplicated. But the East Meadow story has yet another chapter.

Following the decision to re-open the Prospect Avenue School, the newly-comprised board of education proceeded to prepare a new budget which carried with it the money needed to operate the re-opened school. The budget was overwhelmingly defeated. The plurality of the defeat was similar to the election of the two candidates who campaigned two months earlier to re-open the school that had been closed by the 4-3 vote of the board of education. I offer this as a seeming paradox because it seems likely that the same voters participated in both referenda. The total voters were approximately the same and there was no significant additional registration for the second vote.

The austerity condition under New York state law, when a school district's budget is not approved by the community, results in a number of severe hardships to students and parents. The new board accepted austerity as the will of the community. No exceptions were made! Well aware of the need to reduce facilities, they also embarked on a new program to win community acceptance. A fifteen-member committee representative of significant points of view was established. The superintendent directed central administration to work closely with the committee to provide opportunities for factual analysis before making final recommendations.

The board appointed a "facilities committee" which provided a number of recommendations. The board accepted the proposal to close two schools--the Menbridge Road School and the Prospect Avenue School--and proposed a budget embodying this plan. The class size figures were endorsed by the superintendent, with the caution that such a plan would increase present guidelines.

For one year the enrollment projection showed guideline conformity would result in 1977-78. Thus, the two-year strife seems at this writing to have subsided; the cosmopolitan nature of this suburban community is such that a consuming controversy always remains a possibility. Four-year high schools vis-à-vis middle schools may be a future cause célèbre. However, East Meadow has had enough strife for the present. The need for future redesign is about as certain as taxes, but right now the community, the board and the superintendent are enjoying a "peace" only marred by the daily crises affecting education in general. The difficulties of growth and expansion may prove to have been a pleasant experience when compared to the conflicting moods of a period of school district decline!

PERSONNEL

Teacher Supply and Demand

Teaching used to be considered a sure route to job security. A teacher would always have a job. Few people believed that the need created by the ever-increasing numbers of elementary and secondary students could ever be filled. Today, education can point to meeting the teacher shortage as one goal that has been successfully accomplished.

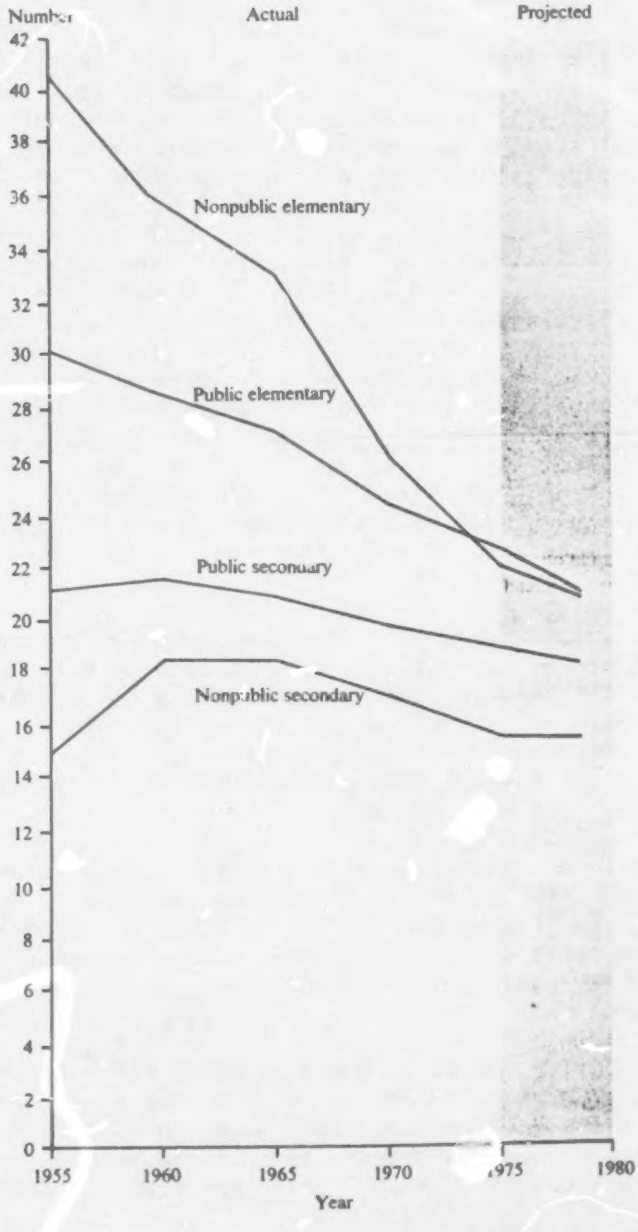
Unfortunately, the awareness that this goal had been accomplished is only now reaching the teacher preparatory institutions. Teachers' colleges are caught in the vise of changing times: declining enrollments, previous over-production, and low turnover among teachers who have jobs have all combined to create a tight job market for teachers. Both the teacher college and the recent graduate must learn to live with the knowledge that recent graduates will probably find employment outside their training and chosen field.

Teacher-Pupil Ratios

In observing the changes in supply-demand of teachers, it is

Figure 9.3

Pupil-Teacher Ratios in Public Elementary and Secondary Schools



Sources: National Center for Education Statistics, The Condition of Education, 1976 Edition, Volume Three, Part One, (Washington, D. C. 6 PO, 1977) p. 129

Expected to continue in a downward trend. Much of the reduction in the ratios can be attributed, in recent years, to the decline in student numbers and the inability, for many reasons, to reduce instructional staff as well.

Changes Ahead in Instructional Staff

The decline in student numbers is having and will continue to have a profound impact on the staff of educational institutions well into the mid-1980s. Compared to the teaching staff of the 1960s and early 1970s, the composition of the teaching staff in the classrooms of our schools in the years ahead will show an increase in average chronological age and years of experience. Because most salary schedules are based on years of experience and seniority, the average teacher salary will also increase. These basic changes in the composition of instructional staff are due, for the most part, to reductions in the number of openings and to decreases in the numbers of newly-trained young people entering the profession.

Other less obvious changes can be anticipated. With fewer young, freshly-trained people entering the profession the introduction of new ideas, different methods of techniques, and innovative programs may decrease. This is not to suggest that more experienced teachers are not creative and/or effective. However, the desire or willingness to try "something new" is most frequently expressed by the young. Whether it be good or bad, there will be increased stability in curriculum and program.

In education, the upward mobility route to principal, central office administrators, and superintendent begins in the classroom. Competent classroom teachers can advance rapidly up the corporate ladder during years of growth. Increasing numbers of students meant an increasing number of schools with frequent openings for leadership positions. For the ambitious, career-oriented teacher, effective classroom performance was quickly rewarded.

Today, with fewer students and fewer schools, the number of openings among administrative ranks has also decreased. Because of this decline, those holding administrative positions tend to stay, locking off opportunities for advancement among teacher aspirants. The result is that eager, qualified teachers, seeking mobility upward, are *status quo* bound.

Social behaviorists would be quick to point out that when opportunities for advancement are cut off, motivation decreases, frustration sets in, and the individual experiences less joy and enthusiasm in his work. The oversupply of competent, well-trained classroom teachers caught in this "closed opportunity" trap will dramatically affect the climate of schools and the morale of instructional staffs.

As if lack of career advancement opportunities, decreased job satisfaction and lowered morale were not enough for the average teacher to bear, as program budget cuts, economies, and reduction in force (RIF) sets in, one may see a competent but less senior colleague lose a position, and witness public meetings where angry parents, disillusioned with the quality of eduction their 1977 tax dollar can buy, lay the blame for education's escalating costs on the salary-demanding teaching organization's doorstep.

Administrative Staff

If being a member of the instructional staff is not, in a time of institutional decline, an enviable position, being an administrator or superintendent can be even less desirable. Conflict-management has become a way of life. After years of proposing solutions to society's social problems, education's conspicuous failures have left the promised public outraged and hostile. As visible leaders, administrators provide stationary targets for public wrath.

One of the most enigmatic areas of concern will be the necessity of dealing with reduction in force (RIF) of instructional/supervisory personnel. In many districts, when enrollment declines are gradual, year-to-year adjustments in instructional staff can be made through retirements, maternity leaves, or resignations. However, if severe student declines, along with drastic budget reductions, occur with little lead-time, the only recourse may be massive program and personnel reductions.

IMPLICATIONS OF RIF

Legal Factors

The complicating legal factors involve state law and local district contractual constraints. Each district should develop a RIF policy. Of particular import is the order of and criteria for excessing staff. Some districts will be bound by state law to excess staff on a seniority-only basis (LIFO); others may employ such additional criteria as: quality of service, experience in a specific area, district-based need, educational-preparation qualifications, certification, and others.

If additional criteria are to be used, some form of evaluation measure and definition will be necessary. For example: by whom, how, and with what weight will "quality of service" be measured?

Must "experience in a specific area" be in-district experience? With what level of competency? How many years ago? If certification is held in more than one area, but teaching experience in only one, would that individual have a claim equal to an individual with both certification and experience? These are difficult questions but should be addressed *before* reductions are made.

Educational Factors

Some of the major factors complicating the issue of RIF can be collectively termed the "educational drawbacks." There is little doubt that when the teaching force is reduced in number, the class size will increase. However, conflicting research clouds the question as to whether or not an increase in class size automatically generates a decrease in student performance and achievement, thereby affecting educational quality. Answers to this issue are not clearcut, but public opinion is!

Obviously, relief from the crowded space condition of past years provides the district with an unparalleled opportunity to increase the diversity of offerings and to incorporate long-desired special curricular features previously shelved. Personnel cutbacks usually severely limit such possibilities--a second "educational drawback."

A third "educational drawback" of RIF is the negative impact on overall district climate and teacher morale. Another is the possibility of having to excess the most recently hired: minority group members, the most talented and competent young people, and part-time instructional aides and/or para-professionals.

Complicating the issue even further is the reality that RIF may take along with it those long-fought-for special areas: elementary art, music, physical education, library-resource or media programs, elementary counseling, and other program supports. For most districts, it has been only within the last ten years that these areas have been added to the elementary school, usually after long, hard struggles. However, the most pervasive and destructive feature of dealing with RIF comes at another level.

When superintendents and boards of education come face-to-face with the educational effects of RIF on the one hand and the consequences of a growing financial deficit on the other, decisions--if made--are wrenching. The probability that these ramification-loaded decisions will be left unaddressed, year after year, is high. Herein lies, unequivocally, the greatest drawback of all: *indecision and perennial drift*--a condition, which for many seems preferable to difficult personnel-policy decisionmaking. Once adrift with neither long-range plan nor policy, the haphazard lopping-off of staff and/or program presents an even greater threat to educational quality than does RIF.

PROGRAM AND FACILITIES

During the 1960s and early into the 1970s, education, its curriculum, its environment, its faculty/administration, its financing, and the apathy, activism, or achievement of its students have been under attack. Crisis-writing popular authors, well-respected scholars, prestigious education-concerned commissions, and just plain tax-paying publics have launched almost yearly campaigns on the need to redesign the schools. One of the focal areas has consistently been program. There is a general consensus in the literature that education has been concerned with some major goals:

- Providing equity of opportunity
- Providing a bridge between the individual and society
- Providing for individual development

Central to accomplishing these goals has been program.

If the 1960s were the years of runaway growth, the 1970s were to be the years when growth and qualitative changes were to go hand-in-hand. It was to be a time of program redesign; a time for quality. And for a few short years curricular concerns did become a focus.

Federal title funds were pumped into program. Faculty and support staff were added. Library resource/media centers were built and equipped with the newest in educational technology. Compensatory programs abounded. Secondary schools expanded elective offerings, instituted "open campus" concepts, and tried to bring curricular offerings more in line with the out-of-school world of the student.

As we enter 1977, continuance of a plan of program improvement is, for most districts, not the crucial concern; "maintaining what we have" is the critical issue. There are some people who make the point that school leaders are "one step behind" social trends and, as a result, are doomed to be abortionists of their untimely long-range plans. We are once again in the process of developing long-range plans. Considerable care should be brought to our plans so as to ensure contingencies for social trend reversals.

Threats to Existing Efforts

Districts caught in a financial crunch have only a few possible alternatives: reduce staff and cut program, consolidate facilities, raise local taxes, or operate under deficit budgets. When deficit budgeting is illegal under state law, or tax increases are just not possible, the alternatives are reduced to making tradeoffs between program and facilities. Given these basic alternatives most administrators view facility contraction as the lesser of all evils. When districts do not plan ahead, however, they are forced into what many term "austerity conditions," across-the-board cutbacks in program and personnel. And usually it is the very innovations that made the district a "lighthouse" that are the first to go. Cost reductions which leave the district at a "bare bones" state-mandated curriculum level are not uncommon.

Pressure from parents to keep schools open and cut programs is pitted against pressure from program supportive parents. Both are pitted against pressure from residents without school-age children to effect economies through either alternative.

Some districts such as Highline in Seattle, Washington, opted for cutting "things" first--equipment, supplies, and materials, and then school buildings and people. Ithaca, New York decided to consolidate buildings rather than to effectuate massive program cutbacks. Great Neck, New York closed schools and reduced some staff positions through the consolidation, but did not cut any program areas.

Perhaps the greatest threat to program comes not from a plan to cut program, but indirectly as a result of a district's thwarted effort to consolidate facilities. The district may launch a community information program and concentrate its efforts on closing under-utilized facilities. The emphasis, time-line, and planning focus on this alternative. Frequently, community opposition is strong enough to prevent the board from carrying out the plan to close schools. This deadend, when it happens, usually occurs late in the school year and well along in the budget process. The financial crunch is imminent, the facility plan is dead, a referendum not possible, and quick decisions must be made. Only program is left--and here lies the real threat. Program cut decisions are made under pressure, quickly, and usually without a well-thought-out plan.

Decisions to cut are made by the dollar signs, or by figuring out the area of least community resistance, or by targeting the area that is the least protected by the contract. Decisions made in this manner result in haphazard lopping of programs, implementation of someone's hidden agenda, or destruction of the effectiveness of coordinated programs through the removal of a key support area.

Decisions made without careful evaluation and long-range planning, decisions made in the breech, and decisions made under fire present the most devastating threats to program.

When school leaders have the time to formulate a plan of program consolidation, the result is quite different. Reductions are made with the input and evaluations of many people, phased over a period of years, and constructed so as not to pull a vital link supporting another area.

Program reduction plans usually affect class size, particularly at the elementary level, and elementary specialists (art, music, physical education) and the classroom support personnel (reading, guidance, library/media). Ironically, it is just these specialist areas that have been most recently added to the elementary school.

At the secondary level, the electives are usually the first to go. Low-enrollment or low-interest advanced courses, Spanish, Literature/Culture V, or Advanced Calculus IV are also vulnerable. In some districts, total program areas are eliminated--athletics, junior high foreign language, or supportive services such as remedial reading, resource rooms, counselors.

An additional threat to program is the elimination of coordinators or program administrators. While the program itself may remain, the removal of the coordinator or "head" can result in a program's "slow death" by neglect.

Program Contraction

The question of where and how to effectuate program area cutbacks gives rise to two possible approaches. There are others, but these usually emerge first. Is it better to eliminate a program area completely and leave all other areas intact, or is it better to reduce slightly all areas, completely eliminating none?

Proponents of the first approach (complete elimination of one) argue that keeping all other areas strong at the full service level makes better sense than weakening everything. Those supporting across-the-board reductions, but not total elimination, state that some service in all areas is better than no service in one. A specific question might be: Is it wiser to eliminate all program coordinators throughout the district or is it wiser to eliminate completely junior high foreign language? Obviously, there is no pat answer to this question that could be applied to every district. Each district will have to weigh the alternatives in its unique situation.

An additional threat to current program efforts is linked to the change in value placed upon education by the public. Education was among the highest of public priorities. With the changing age structure, the loss of credibility in schooling, and the tax impact of an inflationary economy--the value of education and its priority position in our society may give way to new priorities.

Facility Contraction

Facility contraction can take the form of school closure with subsequent sale of the building, or a lend/lease arrangement, or even a partial closure and joint occupancy. To "mothball" a facility, allowing it to remain idle, is the least desirable of all possibilities. Vacant buildings are open invitations to vandalism and rapid deterioration, and usually require increased insurance protection.

The choice between selling or leasing must be made after careful consideration of future district needs. It would be disastrous to sell a building now and in five years suddenly discover it is again needed. Selling an unused building should be considered a last resort.

If sale is considered, zoning factors may limit market value. Buildings located in residentially-zoned areas are difficult to sell, whereas those in commercially-zoned areas may prove to be financially attractive. Age and condition of the building also influence its potential marketability.

In urban areas, school facilities are frequently commercially-zoned. Salt Lake City found itself in the unfortunate position of having to close some twenty school facilities. Fortunately, thirteen were in commercially-zoned areas of the city. Most suburban districts, however, find themselves with well-built relatively new school buildings in residentially-zoned locations. The schools and the homes were probably built simultaneously. Zoning was the last thing on most suburban educators' priority lists during the building boom.

In general, most authorities agree that lending or leasing to a community service agency is far preferable to sale. YMCA-YWCA, community-youth groups, day-care, senior citizens, or other public service agencies could serve the community as well as provide some revenue for the school district.

Establishing criteria for the decision about facility contraction varies from district to district. Many factors enter into the decision for closure: district finances, enrollment projections, as well as the specifics of each facility. Deciding to close a school is only the first step; which school to close is the second. Criteria for systematically evaluating the district's school facilities and then the final determination of which building will be closed appears to revolve around two general considerations: efficiency factors and politics.

In a doctoral study validating KEMEC, a grid-type model for determining the most appropriate school for closure, Dr. Leonard Bornstein found that of the twelve districts studied, nine closed schools based on efficiency criteria, while three districts made the final decision based upon political pressure.[5]

The KEMEC grid suggests these basic criteria items:[6]

- Academic excellence
- Rate of enrollment decline
- Socioeconomic, ethnic, racial balance
- Safety
- Recyclability
- Capital outlay/operational costs
- Education flexibility of facility
- Transportation costs

School people or task force groups can use these criteria items and a weighting system for evaluating each building. The weighting system can be a numerical point (numbered percentage) or a degree type (somewhat important, important, very important). The use of a criteria/weighting system helps people make rational decisions about a highly emotional topic.

In Search of New Possibilities

There is not a school leader today who could not develop and implement creative program uses for excess space and personnel. Reducing class size, expanding programs into larger quarters, setting up resource/remedial/recreation centers for student and/or community use--there exists a myriad of possibilities. Unfortunately, the limitation on implementing such worthy possibilities is not founded in lack of expertise or creativity, but in finances and public support.

Given this limitation, these new possibilities must encompass a reorganizational type of thinking, possibly a reallocation of existing resources, and most probably a reordering of educational priorities. And as if these challenges were not enough, all must be accomplished within a plan which can meet both short-term and long-term needs as well as maintaining enough flexibility to cope with "social trend" reversals--should they suddenly occur. No easy feat for even the most able leader/administrators. But, decline management is more demanding and challenging than the management of growth.

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[5] Leonard Bornstein, "The Effect of Efficiency Factors in Determining School Closings" (Ph.D. dissertation, Rutgers University, New Jersey, 1977).

[6] Katherine E. Eisenberger and Wm. F. Keough, *KEMEC*, AASA, 1977, p. 42.

New Possibilities

Considered preferable by many to total building lend/lease arrangements is joint occupancy use. This alternative is particularly attractive in urban areas where a total building closure might have an adverse effect. Eisenberger notes:

> Inner city dwellers constantly struggle against isolation and lack of community identity. Fear of violence, hesitancy to become involved with transient neighbors, and the transient quality of neighborhoods rob the city dweller of a sense of belonging. The local school is frequently the only community unifier. Its closing spells further isolation. . . .
>
> In today's world it is not practical to limit school buildings only to school youth . . . Daily interaction in a joint service facility provides . . . an opportunity to change the isolating quality of education for city children by bringing them closer to the world out of school - the world in which they live.[7]

An example of a joint occupancy facility is the John F. Kennedy School and Community Center in the Nash-Washington District of Atlanta In this *"shopping center of social services under one roof"* school children share lunch lines with senior citizens and share the total facility with a day-care center, a public health office, a welfare office, a vocational training center, and other public and social service agencies.

Many other examples of space-sharing with non-school activities can be found in the literature. An Arlington, Virginia elementary school serves 225 students, a pre-school group, senior citizens, and community organizations. The Hoffman-Boston high school serves 180 junior high school students, a pre-school and Montessori program, and an adult education program.

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[7] Katherine E. Eisenberger, "Enrollments Down, Budgets Up: A Closer Look," in *Lutheran Education* (December 1975), pp. 76-77.

Elimination of elementary specialists and larger class sizes will ultimately mean less individual attention for children and a loss of variety in classroom approaches. It will become increasingly difficult for classroom teachers to maintain diversified programs unless some form of organized teaching is practiced.

Different grade-level organizational patterns in some districts have eased the one class-one teacher constraint on instructional flexibility. Especially for primary early reading instruction, regrouping of children by individual learning style or mode among and between the classes and grades could help to maintain a variety of instructional approaches.

There are those who argue in support of an organizational pattern for teaching that rejects the traditional grouping by age, grade level, ability or special need. Coleman, in *Occasional Paper No. 19: School Division Planning in an Era of Declining Enrollment*, presents a model for constituting a "teachable group" based upon the "personality fit" between teacher and pupil. For seventy-six students ranging in grade levels from K-8, Coleman's model requires three full-time teachers and a half-time instructional aide. Through cooperation among teachers for team teaching and changing group activities, he argues that a high level of individual attention can be maintained.[8]

New Administrative Skills

Education is a declining industry. There is little doubt that education is in the second of three natural phases characteristic of the history of a social institution. Authorities in organizational behavior describe these phases as first a "period of dynamic growth. Social expectations rise; the institution is able to meet those expectations; there is excitement, expansion and self confidence. The second stage is a period of conflict. In the period of neglect, social expectations outrun capabilities. Social expectations decline; the institution remains able to meet many of the reduced expectations; there is indifference, passivity, and stagnation."[9]

What we do today to anticipate the need for leadership-style changes as education moves through phase 2 and into phase 3 determines the degree to which our tomorrow will be reactive. This is not to suggest that administrators and other school leaders have not planned for change. For the greater proportion of their professional lives school people have had to plan for the changes of growth. Today's need requires a higher order of planning skill--planning for the changes of decline. The need to understand declining resource budgeting, to develop expertise in phased-scheduling techniques as one way to preserve program, and to become aware of the needed curricular redesigns possible for fewer numbers of students are but a few of the skills required for decline management in education. In addition to specific techniques which can be used by building administrators, the management of decline at all administrative levels, requires more fully-developed leadership abilities than those of growth Decline management demands a keener sense of balance and proportion in the allocation of scarce resources, a deeper understanding of human behavior, and a greater awareness of the priorities of the future.

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[8] Peter Coleman, *School Division Planning in an Era of Declining Enrollments*, Occasional Paper No. 19 (Winnipeg, Canada: Manitoba Association of School Trustees, 1973).

[9] Lewis B. Mayhew, *Educational Leadership and Declining Enrollments* (Berkeley, Calif.: McCutchan, 1974), pp. 133-35.

In growth, the passage of time tends to balance errors of judgment in resource allocation; in decline, time compounds them. Growth holds out promise of career advancement; decline portends job consolidation. Growth encourages and provides for multiple priorities; decline necessitates focus on only a few. In varied ways and for multiple reasons decline management will challenge the most able leader/administrator.

Viewing these decline management needs in the late-evening quiet of the superintendent's office while "taking stock" is easy; acting upon them in the midst of the relentessly-demanding school day is difficult. Time, however, is not the true deterrent to action; it is the communication of these realities to reluctant-to-accept professional staffs, reticent communities, and ambivalent boards, and the development of a thread of optimism in the cloth of change that is the greatest problem. Decline is anathema to all. It triggers closed minds, open mouths, and emotion-laden nonsense.

For many of us in the ranks of the superintendency, job security, the considerations of home and family, and the pressures of sons and daughters attending high-tuition colleges become coercive inducements to admire the "emperor's new clothes" along with the staff, board, and community. The need for moral action is high, but so is the price. Some of us have paid, and more than once, for the correct-but-impolitic, moral observation about the emperor's nudity.

In Search of Solutions

Deeply ingrained in our American way of life is the shibboleth that problems have solutions. Regardless of the degree of analytical skills brought to bear or the level of introspection applied, the reality is that not all problems have solutions. Even when solutions can be proposed and are well-financed, the complexity of the solution sometimes prevents implementation. Furthermore, the capabilities of individuals to implement proposed solutions are such that they frequently limit the probable, much less the possible.

To believe and to state that there are solutions which can be implemented to turn around the organizational decline of education as a top national priority is self-deceptive prevarication. There are, however, courses of action that can be implemented to prepare for and modify the impact of these major events.

Modifying the Impact

To cope with potential excess professional staff, a district might consider instituting partial retirement and/or Early Retirement Incentive Programs (ERIP) in anticipation of teacher surplus and RIF. There are many variations of ERIP. The most common program encourages, through financial inducement, those staff members who are within five years of retirement to retire early. Most times, these experienced professionals are guaranteed a specified, annual number of days of employment within the district as consultants, curriculum developers, master in-service teachers, or some other meaningful role. This early retirement stipend is but a fraction of the money saved by retirement of a teacher on top scale wage.

As smaller classes move up through the grades, excess positions at the secondary level can be anticipated years in advance. Districts can encourage participation in university retraining programs which might prepare a foreign language teacher to teach English. Another form of retraining might include rotation of teachers as part of a full-time in-service program. Or, an excessed elementary teacher might be reassigned to the junior and/or senior high level and be professionally supported through teaming efforts or a modified differentiated staffing technique.

Some systems have a program of extended leave of absence time--four to five years. The extended leave might be granted for gaining work/study experience in another career field and returning to the district as an artisan-teacher; i.e., career education, vocational education, or consumer education, mid-career adult retraining specialist, etc.

Use of excess staff in permanent substitute positions has long been practiced in most urban areas where teacher absenteeism is high. Generally, in smaller districts this has not been feasible. If two or three small districts formed a sharing or collaborative approach, permanent substitute positions would greatly reduce the financial expense of substitute hiring and increase the quality of substitute performance.

Developing flexible scheduling practices such as multi-age groupings at the elementary level or phased on a one/two year cycle course offerings at the secondary level are additional ways of staffing.

None of the above will change the course of events; some might modify the impact of those events.

Pitfalls and Preventions

The problem areas are many, the solutions few. And perhaps the gravest danger for administration is in applying a short-term solution in lieu of long-range planning. In too many districts "will of today" prevents "thoughts of tomorrow." In defense of colleagues who have practiced the band-aid approach, the board or community sometimes insists nothing other than a band-aid be applied.

Perhaps the most crucial ingredient in the prevention of "band-aidism" is lead time, not of six months or a year, but of two to three years. Long-range thinking and planning which incorporates community input in the decisionmaking process is difficult to accomplish in six months. That the district is no longer growing in student numbers and will probably decline in enrollment for the next decade should be common knowledge in the community, as should the implications of changing student numbers. Lead-time allows gradual community awareness, accurate data collection over a period of years, and an information program which can be used to gauge public sentiment as well as to provide factual data.

There appears to be consensus in the literature that coping with enrollment declines at the local district level requires a master plan. Most handbooks outline a series of steps. Brunetti suggests:

- First, establish educational goals.
- Second, compare these priorities to the current state of programs, curriculum, staffing, and organization.
- Third, look for enrollment trends by analyzing statistics, demographic characteristics, land-use planning in the district, and so forth.
- From what is learned up to this point, the fourth consideration is to decide whether the school

district will need more or fewer facilities, and how the existing ones might best be used.

- Then, fifth, make a plan for the development, implementation, and financing of programs, facilities and services the district will need.

- Sixth, and last, establish a recurring systematic review of the master plan.[10]

Reported in the National Association of Elementary School Principal's School Leadership Digest is a suggestion by Eisenberger that:

> The crux of the planning effort is the school board itself. If board members and their immediate administrative personnel learn to work together smoothly and regularly, then when they are faced by a crisis, as a school closure or a reduction in force (RIF) of personnel is usually perceived to be, they will be able to bridge the problem without incidental difficulties caused by inexperience.[11]

Eisenberger's suggestion of simulation activities for board members and administration is directed at eliminating problems which will surface as district level consolidation efforts get "hot." Through case studies board members have an opportunity to see what other districts have done, how the action was accomplished, and with what net effect. It is a good preparatory technique for all--the superintendent, board, and central office administrators. But once again, such activities require plenty of lead time.

District administrators and board members can find themselves the focus of a raging political debate when the community has been by-passed in the decisionmaking, or even in the planning process. Some colleagues have taken the *"we'll tell them how it's going to be"* stance. It just doesn't work! Thwarted communities unleash their hostility over such actions in the form of budget defeats, board member turnover, and subsequent superintendent dismissals.

Another common tactic used to cope with contraction that frequently doesn't produce positive end results is the *"when faced with opposition and adversity, charge ahead anyway"* theory. There is a very delicate balance in board-community perception between a strong administrator and a dogmatic one. Unfortunately, the ability to perceive the difference appears to be a superintendency-learned experience--and usually cannot be taught. Generally, it is wiser to back off, regroup, provide additional information and time, and then try again.

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[10] Frank Brunetti, "Enrollment Decline: Major Issues for '75," *CEFP Journal*, July 1974, p. 11.

[11] Katherine E. Eisenberger, "Closing a School: Some Ways to Ease the Trauma," *School Management*, 1974, p. 44.

Underestimating middle-management anxiety is a common mistake. Principals, coordinators and program directors will be uneasy in any district consolidation effort. Expect the anxiety about job loss to run high. Often just as threatening is the possibility of being transferred to a new school. The *AASA Handbook* points out that principals may be losing all or part of a staff with whom they have developed a working rapport, a unified and supportive parent group, and a student body that is known to them. They may be gaining reams of paperwork, reshuffling of materials and equipment, an unknown student body, faculty members who are new and possible resistant to them and to each other, and an anxious and perhaps critical parent group. Principals have much to lose and little to gain.[12]

Every effort should be made to encourage principals to voice these concerns in superintendent/administrator meetings. Once voiced and out-in-the-open, strategies can be jointly developed to alleviate some of the anticipated problems. Simply the realization that their thoughts are shared by all principals and understood by the superintendent will do much to lessen the anxiety.

Underestimating teacher anxiety in the transfer situation is just as common--and just as formidable a threat to smooth in-district adjustment to change. Generally, neither principals nor teachers want to leave the comfortable and known for the unknown.

To help students, teachers and principals adjust to a new school, the *AASA Handbook, Declining Enrollment: What to Do* suggests a visitation program.

> The unknown is most threatening only when it remains unknown. The move for teachers and pupils from a comfortable, known school to one across town can be fraught with anxiety. This can be inevitable unless there have been previous experiences with this new school to help ease the move. Early in the planning stages of closing schools, teachers should be given an opportunity to visit the other schools in the district. To avoid the negative aspects of having teachers "check-out" a school after their announced transfers, these visitation opportunities can be

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[12] *Declining Enrollment: What to Do, AASA Handbook* (1975), p. 12.

> constructed through a professional development exchange program among the district schools.
>
> In some districts, long-range planning allowed for massive teacher exchange programs to have been instituted long before the issue of school closings was patently evident. Teachers on the same grade level exchanged places with their counterparts in other schools for a week or more or in some other way became acquainted with other principals as well as other parent and student groups.
>
> In this way, they became familiar with other faculties, and began to build rapport and friendships outside their own schools. These beginnings often paved the way for the unavoidable transfer two years later.
>
> Students, also, need to have natural opportunities to visit other schools in the district long before closings are announced. Whole class exchanges and interschool projects are ways of allowing students to see and be a part of, what may be in a relatively short time their new school. While these visitation programs may be costly in terms of pupil transportation and scheduling now, they will be worth their weight in positive people feelings when the closing occurs and the child describes his new school to his parents by saying, "That new school wasn't so bad, I had fun there last year when we exchanged classes."[13]

Another potential pitfall lies in the collection of accurate and complete data. While this appears to be obvious, it most frequently is the area of greatest controversy. The importance of accuracy cannot be too greatly stressed; one inaccurate statistic will cast doubt on all others. Just as critical is "completeness." Be careful not to omit information, especially when that information may present a picture not in support of the district effort. It will be uncovered and presented publicly, to the chagrin of the board and administration.

Providing an accurate and complete information program, from a proactive position, allows the district to avoid the difficulties of a defensive/reactive stance. If data collection and dissemination is not taken on by the district, critics will circulate their own "factual data," thereby pushing the administration into a reactive corner. It becomes increasingly difficult for the administration to maintain credibility and generate confidence in such a defensive stance.

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[13] *Ibid.*, p. 13.

To aid in both data collection and dissemination the use of outside resource people is helpful. Local real estate brokers, state/regional planners, city officials, and local people with specific and germane areas of expertise should be called upon. Their contributions should be heard.

Especially useful is a demographic analysis which should be accomplished in concert with projection data. Included also might be the input of urban experts, sociologists, or behavioral scientists from a local or nearby university. The state commissions (highway, mass transportation, housing, etc.) should also be contacted.

Many districts have formed task forces or advisory committees to gather and review district information. Broad-based community task forces provide a direct line into the community. They serve a school system best when they are given opportunities to be involved in the decisionmaking process.

In the confrontation over any issue, active parents with a strong point of view will surface and align themselves naturally. It is much wiser to seek them out from the beginning and help to guide their actions by providing accurate, up-to-date information, rather than to have them insisting upon a search through old board of education minutes for statistics which substantiate their own point of view and cast doubt upon seemingly arbitrary board action.

There are numerous other community involvement techniques: polls or surveys, special newsletters, visitation programs, coffee hours, PTA/superintendent meetings and/or public hearings. All involve the community in a process toward decisions that will directly affect their lives and their residential areas.

Many of these suggested strategies involve the administration at the local district level; there are inter-district, and state-level possibilities that in some areas have been implemented successfully. The Educational Collaborative of Greater Boston (EDCO) is an example of inter-district effort. Serving ten school districts in the Boston area, EDCO provides a facilitating service for projects in special education, voluntary integration, urban opportunities for suburban high school students (integrated with urban students); demographic analysis and other such services that each school district may require but be unable to provide due to low incidence problems or high cost. Funds for EDCO operations are provided by local district membership contributions, grants, and federal subsidies.

Other inter-district collaboratives such as Concord Area Special Education (CASE), and Lexington, Arlington, Burlington and Bedford (LABB) provide special services or projects which each district alone could not afford but are collectively possible. Inter-district sharing of personnel, facilities, and resources has proven to benefit the students from each area.

At the state level, the Board of Cooperative Education Services (BOCES) in New York State provides much the same function as the inter-district collaborative, but on a grander scale and wider level. Local districts pay a membership fee to a regional BOCES. In turn, BOCES provides special education services, vocational training opportunities, in-service workshops, and consultant services. In addition, BOCES makes available an instructional materials lending library. These are but a few of the BOCES services.

While inter-district sharing efforts provide many services which would otherwise be financially prohibitive, perhaps one of the greatest advantages from such collaboratives is in the sharing of information, exchange of experiences, and provision of opportunities for joint problem solving. Through "Think Tanking" and "Idea Banks" district administrators frequently suggest possible strategies or solutions for each other. In one instance a superintendent of schools in one district uncovered demographic trends which would excess a school within school bus distance of an adjoining district with overcrowding. This inter-district sharing of problems and solutions led to legislation allowing inter-district lease, loan, or sale.

The lack of such inter-district communication and coordination forces each district to "go it alone," frequently making the same mistakes in regard to almost any problem area over again in each local community.

Conclusion

In drawing together a concluding statement that speaks to the dilemma of enrollment decline from the superintendent's chair, I find that the personal memories of serving a community reluctant to contract are painfully vivid. The stories of well-respected colleagues who found themselves in "no-win" situations are tragic. The problems to be resolved by the superintendent at times are without solution. Certainly, the road ahead is not yellow-bricked. Yet I feel an excitement generated by the challenge to develop new and different leadership styles within myself and within those who serve with me in K-12 public education.

The management of contraction will challenge the most able and the best; it will demand a keener perspective of available resources; and it will require a change in the societal mind-set from bigger and better to smaller and more selective. And as we develop expertise in managing and directing planned for contraction, the leadership requirements will demand an exploration into fields of study such as the science of contraction management.

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CHAPTER X

RETRENCHMENT IN EDUCATION: THE OUTLOOK FOR WOMEN AND MINORITIES

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INTRODUCTION

Elementary/secondary and post-secondary education systems have been caught in a closing economic vise during the last five years. Since the downturn of 1970, and particularly with the onset of the deep recession of 1974, financial pressures on education institutions have been severe. Rapid inflation has made matters worse. Since around 1970, enrollment in elementary schools across the nation has declined. In secondary schools and post-secondary institutions enrollment has begun to level off, bringing to an end the era when growth was both the challenge and the boon to educators.

To many observers, it seems as if declining enrollment should be an opportunity, not a tragedy. In years past, schools and teaching staffs have expanded to keep up with increasing numbers of students. Not so many years ago, the major issue in education was overcrowding; building schools and educating more teachers was the order of the day, particularly in the suburbs. Education required growing proportions of state and local government budgets. Now, with decreasing enrollments and existing fixed capital, as well as available teaching staff, it is perhaps possible to increase the quality of education.

However, declining enrollments occuring simultaneously with recession and inflation have resulted in major difficulties rather than opportunities in education. Teachers at all levels have seen the job market dwindle. Elementary school teachers have been in excess supply; recent Ph.D.s intending to be college teachers have switched careers or faced unemployment. Although pupil-teacher ratios have tended to fall in the declining enrollment school districts, the reduction in number of students has been greater, thus decreasing the number of teaching positions available.[1]

Educators have come to refer to the result of these pinched budgets and declining enrollments as "retrenchment." The Oxford English Dictionary defines "retrenchment" in two ways: (1) "The act of cutting down, off or out; curtailment, limitation, reduction"; and (2) "A work, generally consisting of a trench and parapet, constructed for the defense of a position; esp. an inner line of defense within a large work." In the United States today, both definitions are apt. Educators are being asked to curtail, limit, and reduce programs and budgets. And, as educators trim their budgets, they also may have a sense of fortifying and defending "an inner line of defense within a large work."

Retrenchment has been widespread. A survey of education departments in thirty-two states and the Virgin Islands by the Education Commission of the States (ECS) notes the pervasive inflation-caused cutbacks in the schools.[2] Evidence on the implications of retrenchment in higher education is not as firm. Higher education has been either less willing or less able to implement retrenchment, except in its employment practices. Based on their case studies of five systems of higher education, Bowen and Glenny report the warning signals of retrenchment: "Classrooms are less well-heated, fewer library books are acquired and some building maintenance is neglected."[3] Initial reductions are generally across the board, with little attention to particular programs and priorities.

This chapter summarizes information on the reasons for and the extent of the effects of declining enrollment and inflation-strained budgets on women and minorities in education. It examines the economic difficulties and enrollment declines that will affect elementary/secondary and post-secondary education in the United States, and then discusses how women and minorities have been affected in selected areas by the declining employment opportunities in education. The lack of direct information requires drawing inferences from related data such as the present status of women and minorities in education. Next, it focuses on how seniority and tenure issues have conflicted to a large extent with affirmative action goals. The conclusion summarizes policy proposals for aiding women and minorities faced with new barriers to equal employment opportunity in education.

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[1] For a detailed discussion of declining enrollments and its fiscal impacts, see Chapter VI of this book by Odden and Vincent. See also Chapter V of this book by Leppert and Routh.

[2] Education Commission of the States, "Widespread Educational Cutbacks Reported by States," News Release, October 27, 1974.

[3] Frank M. Bowen and Lyman A. Glenny, *State Budgeting for Higher Education: The Response of Public Higher Education to Fiscal Stringency* (Berkley, Calif.: University of California, Center for Research and Development in Higher Education, 1976).

Since retrenchment in education is recent, data on its effects on women and minorities are quite scarce. Most conclusions are speculative and tentative. Furthermore, plans to deal with the human and financial aspects of declining enrollments are only now being drafted. A major goal of this chapter is to develop a range of policy alternatives to deal with problems related to retrenchment.

THE BASIC DIMENSIONS OF RETRENCHMENT

Retrenchment in education has multiple causes and impacts. Recession and inflation have produced immediate problems; declining enrollments have long-term repercussions. Simultaneous financial stringency and decline have helped reduce the total demand for teachers and sharply decreased the upward trend in their employment, resulting in many instances in layoffs of education personnel.

Inflation and Recession

Average per pupil expenditures for elementary and secondary education rose $115 during 1975-76 to $1,284.[4] In 1976, schools and colleges spent approximately $119 billion, up $1 billion from the previous year.[5] But reports of rising expenditures are deceptive. The true story for education may be one of stagnation or decline, not of growth, because much of the increase in expenditures can be attributed to inflation.

While education expenditures have risen 132 percent since the 1967-68 school year, the Consumer Price Index (CPI) has increased 59.3 percent during the same period, thus accounting for nearly half the growth.[6] The remaining portion of expenditure increases can be explained by salary settlements with teachers, as well as growth in faculty until the more recent downturn. With respect to teachers' wages, average instructional salaries rose, in absolute dollars, from $10,213 in 1971-72 to $11,950 in 1974-75, an increase of $1,737 or 17 percent, implying an annual increase of around 5 percent over the three years. But according to the National Education Association (NEA), the purchasing power of what teachers earned actually decreased by nearly $546 from $8,455 in 1971-72 to $7,909 in 1974-75.[7]

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[4] *Education Digest* 43 (September 1976): 66.

[5] *Education USA* 18 (September 1975): 1.

[6] *Education Digest* 42 (September 1976).

The recession has also had an impact on state and local tax revenues. A survey conducted by the Education Commission of the States indicated that state legislatures' appropriations for education have dramatically failed to keep pace with inflation. Education budgets in 1974 would have had to rise a full 12 percent to meet the spiraling costs of inflation, even without new program growth. Yet, twenty-one state education agencies received increases of 8 percent or less for all operating expenditures. Even this figure is conservative, since it does not provide for pay increases or other costs that arise from collective bargaining demands.[8]

The school fiscal crisis is particularly acute in the cities. The Council of the Great City Schools has noted that because the urban unemployment rate is twice the national average, city government revenue-raising capacities have been severely impaired as their expenses have dramatically increased.

In higher education, too, the halcyon days seem over. According to the Carnegie Foundation for the Advancement of Teaching, "Higher education is suffering from the most severe deceleration of growth in U.S. history."[9] Between 1973-74 and 1974-75, the Higher Education Price Index (HEPI), an index of budgetary items of colleges and universities, exhibited the highest year-to-year change in the past thirteen years, increasing 8.6 percent.[10]

Overall state appropriations, which account for slightly more than half of all current revenues for state and land-grant institutions, increased at a faster pace than the HEPI, 9.4 percent in 1974-75. Nevertheless, these funds proved inadequate to the task of educating the additional students represented by a 4.1 percent increase in enrollment.

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[7] NEA Research, *Financial Status of the Public Schools, 1975* (Washington, D.C.: National Education Association, 1975), p. 12.

[8] Education Commission of the States, "Widespread Educational Cutbacks Reported by States."

[9] Jack Magarrel, "Higher Education's Severest Slowdown," *Chronicle of Higher Education* 21 (April 1975).

[10] Ione Phillips, *A Question of Quality* (Washington, D.C.: National Association of State Universities and Land-Grant Colleges, n.d.), p. 6.

Declining Enrollments

If the future of the economy is still in doubt, the trend of enrollment in education is not. The prognosis is decline. According to the National Center for Educational Statistics (NCES), total fall enrollment at all levels of education increased from 53 million in 1964 to 60 million in 1974. But as a result of low birth rates during the mid- to late-1960s, total enrollments are expected to decline considerably until the 1980s, decreasing to 56 million in 1984.[11] The most severe enrollment declines will occur at the elementary and secondary levels.

School districts most severely affected by enrollment declines are those hardest hit by other fiscal and social problems: the central cities. According to a survey by the Syracuse Research Corporation:

> When state education departments were asked where they expected the greatest decline to occur in the next five years, officials in 17 of the 37 states responding to that question indicated the most severe decline would be in the state's largest city with another six indicating the largest city would rank second among areas experiencing severe declines. Twenty-one states indicated that the largest city and second-order cities (next five largest) were ranked first and second.[12]

Enrollment declines in higher education are not as dramatic as those in elementary and secondary education. But the large annual enrollment increases that marked the 1960s appear to have ended. Except for nondegree-granting programs and junior colleges, enrollment in higher education is expected to level off in the next decade.

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[11] Martin M. Frankel and Loraine L. Simpson, "Enrollment," in *Projections of Educational Statistics to 1984-85*, National Center for Educational Statistics (Washington, D.C.: U.S. Department of Health, Education and Welfare, 1976), p. 11.

[12] Robert J. Goettel and Dana W. Paige, *Declining Enrollments: A Report Prepared for the National Association of State Boards of Education* (Syracuse, N.Y.: Syracuse University Research Corporation, 1976), p. 6.

Total enrollment in all institutions of higher education nearly doubled between 1964 and 1974, increasing from 5.3 million to 10.2 million. But by 1984, enrollment is expected to grow only to 11.6 million or by 14 percent over 1974.

The above projections assume that the percentage of all people ages eighteen to twenty-one who are enrolled in full-time undergraduate or unclassified programs remains at its 1974 level through 1984. But the 1970s have witnessed a less hospitable labor market for persons with college and advanced degrees and some argue that the depression will continue.[13] In addition, planners in higher education hope to offset the declining number of younger students by attracting greater numbers of adult learners. However, as Cartter and Solmon point out, it takes four to six part-time adult students to financially replace one full-time undergraduate.[14]

Demand for and Supply of Teachers

The demand for and supply of teachers can be expected to have a direct impact on women and minorities. During the period 1970-74, the demand for additional public elementary and secondary school teachers (those not employed in public schools the previous year) was estimated at 974,000, or an average of 114,000 per year. During 1975-79 demand is expected to decrease to 837,000 and then remain relatively stable at about 845,000 during 1980-84 (see Table 10.1). At the elementary level, the total number of teachers employed in 1984 is expected to be about the same as the number in 1974. At the secondary level, however, the total number of teachers employed in 1984 is expected to be 93,000 fewer than in 1974.

Whether the major oversupply of teachers will persist is an open question. The number of students enrolled in teacher-training programs is waning. A recent survey by the American Council on Education (ACE) and the University of California at Los Angeles concluded that in 1966, 21.7 percent of all freshmen wished to enter teaching; by 1975, the figure plummeted to 8.2 percent; and, by 1976, it was 6.5 percent.[15] Even at this rate of decline, however, the oversupply

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[13] See, for example, Richard B. Freeman, *The Overeducated American* (New York: Academic Press, 1976).

[14] Alan M. Cartter and Lewis C. Solmon, "Implications for Faculty," *Change* 8 (September 1976): 38.

[15] Alexander Astin, *et al.*, *The American Freshman: National Norms for Fall, 1976* (Los Angeles, Calif.: Cooperative Institutional Research Program, 1976).

TABLE 10.1

ESTIMATED DEMAND FOR CLASSROOM TEACHERS IN REGULAR PUBLIC ELEMENTARY AND SECONDARY DAY SCHOOLS: UNITED STATES, FALL 1969 TO 1984*

(in 000's)

Year (Fall) (1)	Total Teacher Demand (2)	Demand for Additional Certificated Teachers**			
		Total (3)	For Enrollment Changes (4)	For Pupil-Teacher Ratio Changes (5)	For Teacher Turnover (6)
69	2,013	...	...	...	...
74	2,159	192	-19	40	171
70-74	...	974	-14	159	829
		Projected***			
79	2,130	147	-46	21	172
75-79	...	837	-143	114	868
84	2,134	198	13	17	168
80-84	...	845	-83	87	841

*Includes full-time and the full-time equivalent of part-time classroom teachers (in 1974, 99 percent of teachers in the public schools were full-time). The 1969 data include some part-time teachers who were not converted to full-time equivalents. Does not include teachers in independent nurseries and kindergartens, residential schools for exceptional children, subcollegiate departments or institutions of higher education, federal schools for Indians, federally operated schools on federal installations, and other schools not in the regular school system.

**The estimates and projections of demand for additional certificated teachers were based on the following assumptions: (1) For changes in pupil-teacher demand in a given year, less the estimated total teacher demand in the same year had the pupil-teacher ratio in the previous year remained constant; (2) for enrollment changes, the number of additional teachers needed is the total needed for both enrollment changes and pupil-teacher ratio changes less the number needed for pupil-teacher ratio changes alone; the number of additional teachers needed for both enrollment changes and pupil-teacher ratio changes is the total teacher demand in a given year less the total teacher demand in the previous years; (3) for teacher turnover, the number of additional teachers needed to replace those leaving the profession either temporarily or permanently will be 8 percent of the

TABLE 10.1 (continued)

total employed in the previous year; the 8 percent separation rate is based on the Office of Education study *Teacher Turnover in Public Schools, Fall 1968 to Fall 1969.* The projected demand makes no allowance for replacement of teachers who hold substantial certificates (less than 2 percent of employed teachers in 1972).

***The projection of classroom teachers in public schools by organizational level and institutuional control is based on the assumption that the pupil-teacher ratio will follow the 1964-74 trend to 1984.

SOURCE: National Center for Educational Statistics, *Projections of Education Statistics to 1984-85* (Washington, D.C.: U.S. Department of Health, Education and Welfare, 1976), p. 63.

of teachers is expected to continue, unless better employment information is disseminated to prospective teachers.[16]

In higher as well as elementary/secondary education, teaching will no longer be a growth industry. As college enrollment increased dramatically during the past decade, employment of college teachers increased proportionately (see Table 10.2). Over the next decade, this growth will be slowed considerably. Cartter and Solmon provide a pessimistic set of projections that range to the 1990s.[17] Estimating that between 1980 and 1994 there will be a 25 percent decline in the number of people in the traditional college-age group and a 1.8 million drop in enrollment, they conclude that total faculty size will be reduced by 100,000. They further predict that, despite falling enrollments, higher education's financial plight will force student/faculty ratios above the traditional figure of 15:1. Such an increase would reduce still further demand for faculty.

The forecast for supply of new Ph.D.s illustrates the severely shrinking job market. Cartter and Solmon estimate that from now until

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[16] William S. Graybeal, "Status and Trends in Public School Teacher Supply and Demand," *Journal of Teacher Education* 25 (Fall 1974): 208. See also the Comptroller General's Report to the Congress, *Supply and Demand Conditions for Teachers and Implications for Federal Programs*, Office of Education, B165031 (Washington, D.C.: General Accounting Office, 1974).

[17] Alan M. Cartter and Lewis C. Solmon, "Implications for Faculty," p. 37.

TABLE 10.2

ESTIMATED FULL-TIME-EQUIVALENT INSTRUCTIONAL STAFF FOR RESIDENT COURSES IN ALL INSTITUTIONS OF HIGHER EDUCATION, BY PROFESSIONAL RANK: UNITED STATES, FALL 1964 TO 1984*

(In 000's)

		Instructor or Above			Junior Instructor		
Year (Fall) (1)	Estimated Total Full-Time Equivalent (2)	Total (3)	Full-Time (4)	Full-Time Equivalent of Part-Time (5)	Total (6)	Full-Time (7)	Full-Time Equivalent of Part-Time (8)
1964	274	243	212	31	31	12	19
1969	431	382	349	33	49	15	34
1974	493	450	411	39	43	9	34
				Projected**			
1979	552	504	460	44	48	10	38
1984	541	494	451	43	47	10	37

*Estimated.

**This projection of full-time equivalent of part-time instructional staff for resident courses is based on the following assumptions: (1) Full-time equivalent of part-time instructor or above will remain constant to 1984 at the 1972 level of 31.0 percent; (2) full-time equivalent of junior instructional staff will remain constant through 1984 at the 1972 level of 38.8 percent.

NOTE: Data are for 50 states and the District of Columbia for all years. Because of rounding, details may not add to totals.

SOURCE: Martin M. Frankel and Loraine L. Simpson, "Enrollment," in *Projections of Educational Statistics to 1984-85*, National Center for Educational Statistics (Washington, D.C.: U.S. Department of Health, Education and Welfare, 1976), Table 33.

the end of the decade, approximately 41,000 new Ph.D.s will be produced every year. Therefore, total academic demand will be about one-third of the graduate school supply over the next few years. An increasing number of Ph.D.s who may aspire to positions in colleges or universities may have to seek employment elsewhere.

Layoffs

Although no national information documents the number of layoffs that have occurred, local accounts suggest that they are of considerable magnitude. In 1974, the troubled New York City government ordered the city's department of education to cut its budget by $132 million and indicated that those cuts might have to be doubled. Some 16,000 jobs in education were scheduled for elimination.[18] By January 1976, 9,000 teachers had been dropped, and an additional 1,300, mostly high school teachers, were scheduled for layoffs.[19] The United Federation of Teachers (UFT) reports that the New York school system in 1976 had 8,000 fewer teachers, approximately 4,000 because of layoffs, the rest from retirement and normal attrition. Most of these positions are remaining vacant.

THE IMPACT OF RETRENCHMENT ON WOMEN AND MINORITIES

It is difficult to get a clear picture of how retrenchment is expected to affect women and minorities. Data on teachers who are terminated or laid off are hard to obtain. National and statewide statistics are scanty, and terminological differences from state to state make comparisons difficult. In some cases, failure to renew the contracts of probationary or non-tenured teaching personnel is not labeled a termination or layoff, nor is failure to fill a position vacated by natural attrition. Termination is a term generally reserved for tenured teaching personnel. As a result, data on termination and layoffs represent only a fragment of total retrenchment in education employment.

Efforts to determine who is bearing the burden of retrenchment by surveying state departments of education and state agencies of higher education have been unsuccessful. Most agencies do not break down retrenchment data by sex and race. Such information is politically and socially sensitive, and many agencies may be avoiding a volatile issue. State agencies relegate these requests to the local school district and to the individual college or university. However, efforts to survey school districts and institutions of higher education on the number of layoffs caused by financial cutbacks and/or the rate and sex characteristics of those terminated also have been unsuccessful. Researchers contacted approximately twenty retrenched school districts identified by the NEA and the AFT with requests for information about the terminated teaching population. Only a few provided satisfactory responses.

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[18] *Education USA* 19 (June 2, 1975): 231.

[19] Leonard Buder, "Board Seeks Change of Teacher Seniority Law That Could Bring Recall of Some Laid Off," *New York Times*, January 1, 1976.

This section, then, must rely primarily on isolated statistical reports and anecdotal information. Two things should be borne in mind. First, length of service is generally the criterion used to determine who is to be laid off; therefore, one supposes that women, especially in higher education, and minorities in general, who have only recently been hired, are heavily represented among those laid off. Second, this section does not include information on the number of jobs that would become available if the economy regained health or on the number of unfilled job listings that have been dropped. A focus on layoffs and seniority should not obscure the fact that the prime culprit in eroding or denying opportunities to minorities and women is general cyclical or structural unemployment.

The Status of Women and Minorities in Education

Since data on layoffs of women and minorities are sparse, a review of their status helps one draw inferences about what is occurring and what may occur.

Elementary and Secondary Education

According to the latest figures from the United States Equal Employment Opportunity Commission (EEOC), in 1974 women accounted for 64.3 percent of public school employees and only 39 percent of the civilian labor force. Blacks, at 12.5 percent, also were better represented in education than in the civilian labor force as a whole, of which they comprised 9.9 percent.[20] Despite blacks' relatively high rate of participation in education, the percentage of minority teachers was approximately one-half the percentage of minority students.[21] The figures for other minority groups taken into account by the EEOC were: Hispanic, 2.5 percent of education and 4.4 percent of the civilian labor force; Asian-American, 0.4 percent of education and 0.8 percent of the civilian labor force; and American-Indian, 0.3 percent of education and 0.4 percent of the civilian labor force.

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[20] U.S. Equal Employment Opportunity Commission, "EEOC Releases 1974 Employment Figures," News Release, April 30, 1976, pp. 1-2.

Within the educational system, however, women and minorities are concentrated in lower-status, lower-paying positions. Women account for 98.6 percent of kindergarten and prekindergarten teachers, 85.4 percent of elementary school teachers, 49.2 percent of secondary school teachers, and 31 percent of college and university teachers (see Table 10.3). Nearly all teacher aides and clerical/secretarial staff members are women. In the administrative areas of the school employment ladder, women account for only 14.1 percent of all administrators and 12.7 percent of principals.[22] Such data do not always indicate discrimination in hiring and promoting. For example, federal and state programs over the past ten years have rapidly increased the use of teacher aides, many of whom are by intention women and minority group members who otherwise may not have been employed, at least in the school system.

Minorities are similarly concentrated in the lower job echelons. Minority group members comprise 33.5 percent of all teacher aides, 26.3 percent of all service workers, 25.3 percent of all laborers, but only 7.3 percent of all administrators and 9.3 percent of all principals. Most minority group members holding top-level jobs are male.

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[21] National Center for Educational Statistics, *The Condition of Education: A Statistical Report on the Condition of American Education, 1975* (Washington, D.C.: U.S. Department of Health, Education and Welfare, 1975), p. 71.

[22] Recruitment Leadership Training Institute, *Women in Administrative Positions in Public Education* (Philadelphia, Pa.: Temple University, 1974), pp. 7-11. This dearth of women in administrative positions is recent. Women were once well represented in school administrations. In 1928, 55 percent of elementary school principalships were held by women; in 1948, the figure was 41 percent; 1958, 38 percent; 1968, 22.4 percent; and 1973, 19.6 percent. The trend is similar for assistant elementary school principals: in 1968, approximately 38.4 percent of assistant principals were women and, in 1973, 30.8 percent were women. Women's share of principalships declined from 15.3 percent in 1970-71 to 13.5 percent in 1972-73. See also Catherine Dillon Lyon and Terry Saario, "Women in Public Education: Sexual Discrimination in Promotions," *Phi Delta Kappan* 55 (October 1973): 120-23.

TABLE 10.3

EMPLOYED PERSONS IN SELECTED EDUCATION OCCUPATIONS, 1975, ANNUAL AVERAGES

(In 000's)

Occupation	Total Employed	Percentage of Total Employed: Females	Percentage of Total Employed: Negro and Other Races
Prekindergarten and Kindergarten Teacher	204	98.6	14.5
Elementary School Teacher	1,332	85.4	10.6
Secondary School Teacher	1,184	49.2	7.8
College and University Teacher	543	31.1	6.8

SOURCE: Scientific Manpower Commission, *Professional Women and Minorities, A Manpower Data Research Service*, May 1975, p. 104.1.

The concentration of women and minorities in lower-status positions means they receive lower salaries. Four out of every ten minority employees, compared with two out of every ten white employees, were working as poorly paid teacher aids, service personnel, or laborers. Eighteen of every 100 women, compared with only one of every 100 men, were teacher aides or clerical workers. Women were working more often as lower-paid elementary teachers, and men as higher-paid secondary school teachers.[23] Females were also earning less money than males in similar jobs. The 1970 Bureau of the Census figures for median earnings of white female elementary and prekindergarten teachers who worked 50 to 52 weeks was $7,097; for white males the figure was $8,738 (see Table 8.4). Disparity existed between black females and males, as well, with black elementary and prekindergarten teachers earning $6,685 and black males earning $7,793. Inequalities thus existed between the sexes and between races, although experience and

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[23] U.S. Equal Employment Opportunity Commission, "EEOC Releases 1974 Employment Figures," p. 2.

TABLE 10.4

OCCUPATION OF EXPERIENCED CIVILIAN LABOR FORCE IN EDUCATION BY EARNINGS IN 1969, BY RACE AND SEX

Category of Teacher	Total, Age 16 and Over	Earnings, Earners Worked 50-52 Weeks
White Female, Elementary and Prekindergarten	1,286,131	$ 7,097
White Male, Elementary and Prekindergarten	232,699	8,735
Black Female, Elementary and Prekindergarten	126,471	6,685
Black Male, Elementary and Prekindergarten	19,856	7,793
White Female, Secondary	486,423	7,534
White Male, Secondary	509,253	9,501
Black Female, Secondary	39,347	7,032
Black Male, Secondary	27,299	8,479

SOURCE: U.S. Bureau of the Census, *1970 Census of Population, Detailed Occupation of Employed Persons by Race and Sex, United States Summary* (Washington, D.C.: U.S. Government Printing Office, 1971).

education may account for some of the differences.[24]

Higher Education

Elementary and secondary schools can boast high overall participation rates for women and minorities; higher education cannot, as Table 10.5 indicates.

Women and minorities are concentrated in the lower ranks of higher education, as their salary differentials suggest. According to the 1970 Census, in 1969 the earnings of white female college and university

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[24] U.S. Bureau of the Census, *1970 Census of Population, Characteristics of the Population, United States Summary*, vol. 1, pt. 2, sec. 2 (Washington, D.C.: U.S. Government Printing Office, 1970).

TABLE 10.5

RACIAL AND ETHNIC CHARACTERISTICS OF COLLEGE AND UNIVERSITY TEACHING FACULTY, 1972-73, BY SEX

	All Institutions (Percent)		
Racial Background	Men	Women	Total
White/Caucasian	95.1	93.6	94.8
Black/Negro/Afro-American	2.4	4.8	2.9
American-Indian	0.8	0.9	0.8
Oriental	1.4	1.7	1.5
Mexican-American/Chicano	0.3	0.2	0.3
Puerto Rican/American	0.3	0.3	0.3
Other	1.5	1.1	1.4

SOURCE: American Council on Education, *Teaching Faculty in Academe*, Research Report, vol. 8, no. 2 (Washington, D.C.: American Council on Education, 1973).

teachers working fifty to fifty-two weeks was $8,638; white males, $13,126; black females, $7,818; and black males, $10,711. As in elementary and secondary education, disparities in earnings occurred between the sexes, between the races, and between the sexes within races.

These figures are not very surprising because they predate the vigorous movement of the 1970s to redress inequities in employment in higher education. More recent statistics suggest that the effort may have been ineffectual. A study conducted by the National Center for Educational Statistics (NCES) reveals that over the past fifteen years, women have made some gains in higher education (see Table 10.6). However, in 1975-76, women's share of faculty positions decreased slightly at every level but assistant professor. Only 26 percent of women faculty, as opposed to 57 percent of their male counterparts, had tenure. Despite the improved representation of women in higher education, NCES noted that their salaries were 83.2 percent those of men's in 1974. In 1974, the average salary of a full-time male faculty member on a 9-10 month contract was $15,932; for women the figure was $13,222.[25] These data primarily reflect the

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[25] National Center for Educational Statistics (NCES), "Prepublication Release, Preliminary Data, January 1974" (Washington, D.C.: Department of Health, Education and Welfare, Office of the Assistant Secretary for Education, January 29, 1975), Tables B and L.

TABLE 10.6

WOMEN AS PERCENTAGE OF FULL-TIME INSTRUCTIONAL FACULTY ON 9-10 MONTH CONTRACTS IN INSTITUTIONS OF HIGHER EDUCATION, BY ACADEMIC RANK: SELECTED YEARS, 1962-63 TO 1975-76

Academic Rank	1962-63	1972-73	1974-75	1975-76
All Ranks	19.0	20.6	24.1	24.2
Professors	8.7	9.4	10.1	9.8
Associate Professors	16.1	15.8	17.0	16.8
Assistant Professors	22.5	23.1	27.3	28.6
Instructors	30.9	43.5	41.0	40.5

SOURCE: National Center for Educational Statistics, *Condition of Education* (Washington, D.C.: U.S. Department of Health, Education and Welfare, 1976), Table 6.13.

distribution of women versus men by academic rank, but universities are now beginning to evaluate the many instances of large salary differences by sex within ranks. AAUP data indicate these differences (see Table 10.7).

TABLE 10.7

WEIGHTED AVERAGE SALARIES AND AVERAGE COMPENSATION FOR FACULTY MEMBERS BY SEX AND ACADEMIC RANK 1975-76

Academic Rank	Men	Women
Professor	$ 22,970	$ 20,770
Associate Professor	17,260	16,440
Assistant Professor	14,240	13,630
Instructor	11,620	11,030
All Ranks	17,840	14,420

SOURCE: AAUP Bulletin 62 (August 1976).

Unfortunately, recent comparable data on minorities' status in higher education do not exist. In 1972-73, the proportion of faculty members who were black was 2.9 percent, up from 2.2 percent in 1968-69.[26] Asians accounted for 1.5 percent of faculty, and "other" minorities for 2.8 percent.[27] Thus, women and minorities still are underrepresented in higher education, particularly in the higher-status, higher-salary ranks.

Layoffs

Since K-12 teachers are predominately female, retrenchment at that level is somewhat less of a threat to women than to minorities. Nevertheless, it should be noted that as early as 1970, unemployment rates for experienced teachers were twice as high for women as for men (see Table 10.8). Also, teachers have weathered decline more poorly than administrators, who are predominately male.[28] A survey in Illinois indicates that the number of administrators in K-12 districts increased by approximately 9.0 percent from 1969-70 to 1973-74, while the number of teachers decreased by approximately 1.0 percent.

Although data have not been collected systematically, isolated reports suggest that retrenchment may have dramatic impact on minorities in K-12 teaching positions. New York City provides the most persuasive evidence that minorities in K-12 positions may be severely hurt by retrenchment. Between 1970-71 and 1973-74, the number of minority teachers in that city's system increased 33.2 percent. At the onset of retrenchment, the school board admitted that layoffs by seniority would "undo the first real progress . . . made in the area of equal employment opportunity and staff integration." The board's prediction has been borne out. Although minority teachers represent less than 13 percent of the total teaching staff in New York City public schools they comprise 40 percent of the teachers terminated and 27 percent of the regular substitutes not reassigned during 1975-76 (see Table 10.9).[29]

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[26] Alan E. Bayer, *Teaching Faculty in Academe: 1972-73* (Washington, D.C.: American Council on Education Research Reports, August 25, 1973), p. 14.

[27] Carnegie Council on Policy Studies in Higher Education, *Making Affirmative Action Work in Higher Education* (New York: Carnegie Foundation for the Advancement of Teaching, 1975), p. 39.

[28] Corroborating evidence is that administrative expenditures have tended to grow faster than instructional expenditures during the downturn in enrollments. See Allan Odden and Phillip E. Vincent, *The Fiscal Impacts of Declining Enrollments,* Chapter VI of this book.

[29] Board of Education, City of New York, *Seniority and Layoffs: A Review of Recent Court Decisions and Their Possible Impact on the New York City Public Schools* (New York: Office of the Deputy Chancellor, Educational Policy Development Unit, November 1975), p. 11.

TABLE 10.8

EXPERIENCED TEACHERS WHO WERE UNEMPLOYED IN 1970 BY SEX AND TYPE OF TEACHING BACKGROUND

Type of Teaching Background	Males			Females		
	Total Teaching	Unemployed	Percent Unemployed	Total Teaching	Total Unemployed	Percent Unemployed
All types of Teaching	1,173,914	8,216	.7	2,108,281	32,357	1.5
Colleges and Universities	354,671	2,242	.6	141,741	2,463	1.7
Elementary	235,189	1,919	.8	1,340,627	20,028	1.5
Secondary	510,768	2,811	.6	492,822	7,231	1.5
Other	73,286	1,244	1.7	133,091	2,635	2.0

SOURCE: U.S. Bureau of Census, *1970 Census of Pupulation, Subject Reports: Persons Not Employed* (Washington, D.C.: U.S. Government Printing Office, 1972), Table 23.

TABLE 10.9

ETHNIC CENSUS OF TEACHERS LAID OFF AND REGULAR
SUBSTITUTE TEACHERS NOT REASSIGNED,
1975-76

	Minority		Other		
	Number	Percent	Number	Percent	Total
NTE*	718	40.0	1,069	60.0	1,787
Regular Substitute	2,052	27.0	5,548	73.0	7,600
Total	2,770	30.0	6,617	70.0	9,387

*Those substitutes hired on the basis of National Teachers Examination.

SOURCE: Director of Office of Personnel, Data Research and Reports, Division of Personnel, NYC Board of Education, *Seniority and Layoffs*, October 1975, p. 2.

Layoffs of women in higher education are suggested in a survey of women faculty in sociology departments from 1973 to 1975, conducted by Sociologists for Women in Society. It indicates that in 1973, 20 percent of the senior professorships in eight City University of New York (CUNY) sociology departments were held by women; in 1975, the figure had dropped to 18.6 percent. Women associate professors fared even worse, with their share declining from 25.8 percent in 1973 to 20 percent in 1975.

SENIORITY AND TENURE: CONFLICTS AND COMPROMISES WITH AFFIRMATIVE ACTION

Seniority, broadly defined, is an employee's length of continuous service with an employer. Seniority and tenure provisions of formal or informal employment contracts have become ingrained in education. Traditionally, tenure in higher education has been associated more with "academic freedom," the right to search for truth and be free of undue political pressures, than with job security, the more common rationale in elementary and secondary education. Seniority has also become one rationale for advancement and salary increase.

Seniority and Women and Minorities

Critics assert that the use of seniority as a criterion for layoffs will adversely affect women and minorities. First, women and minorities have distinct length-of-service disadvantages and higher levels of part-time employment generally not subject to seniority provisions. Second, women and minorities who have been discriminated against in the labor market have not had the opportunity to develop seniority on a job because their hiring has been recent. Finally, collective bargaining provisions often have been insensitive to the needs of minorities and women. Fratkin has noted that:

> In education, men, women, and minorities all belong to the same union, but the union contract has, in the past, institutionalized the discrimination which previously existed. In other words, most unions accepted the prevailing social climate and as a result, until the first Civil Rights laws in 1964, a conflict did not exist between affirmative action and collective bargaining, as the former simply did not exist.[30]

The disadvantages of women and minorities in length of service are well documented. Bureau of Labor statistics on job tenure--the length of time a person has worked continuously for the same employer--show that, as of 1973, men had more tenure than women in every industrial sector and employment category except unpaid family worker. For the labor force, the median number of years of job tenure for white males was 4.7 and for white females, 2.8; for black males, the figure was 4.0, and for black females, 3.3 (see Table 10.10). Nearly half of the females had been on their job for two years or less; only 6 percent had been at the same job for twenty years or more (see Table 10.11). The percentages of men with job service of two years or less and twenty years or more were 33 percent and 22 percent, respectively. Lengths of service for male and female employees over the age of twenty-five, the prime working age group, were notably dissimilar. These figures result from women withdrawing from the labor force to rear a family. Finally, black men report less time on a given job than white men in all age categories; black women had more time on the job than white women.

Part-time work experience, usually not rewarded by seniority, is also more common for female employees than for males. In 1973 for example, 31.9 percent of women worked fewer than thirty-four hours a week (see Table 10.12). Only 12.6 percent of men worked on a comparable part-time basis. For persons who worked part-time and have accrued continuous length of service, seniority-based layoffs may seem to be less neutral.

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[30] Susan Fratkin, "Collective Bargaining and Affirmative Action," paper presented at the third annual conference of the National Center for the Study of Collective Bargaining in Higher Education, Baruch College, New York, April 29, 1975, p. 1.

TABLE 10.10

MEDIAN YEARS ON CURRENT JOB BY RACE, SEX, AND AGE OF WORKER, JANUARY 1973

	White		Minority Races	
	Men	Women	Men	Women
Total	4.7	2.2	4.0	3.3
15 to 24 years	.8	.8	.9	.8
25 to 34 years	3.3	2.1	3.0	2.7
35 to 44 years	6.8	3.4	5.4	4.7
45 to 54 years	11.7	5.8	10.1	6.8
55 years and over	14.6	9.9	11.0	9.8
55 to 64 years	14.8	8.8	11.6	9.2
65 years and over	14.2	10.8	9.3	11.5

SOURCE: Howard Hayghe, "Job Tenure for Workers: January 1973," *Monthly Labor Review* (December 1974), p. 53.

TABLE 10.11

WORKERS BY LENGTH OF TIME ON CURRENT JOB

	Women	Men
One year or less	29	22
1-2 years	14	11
2-5 years	23	20
5-10 years	16	17
10-20 years	12	16
20 or more years	6	14

SOURCE: Howard Hayghe, "Job Tenure for Workers: January 1973," *Monthly Labor Review* (December 1974), compiled from Table 1.

Attempts to eliminate employment discrimination based on sex and race have complicated seniority. Many agencies that did not hire or rarely hired women and blacks prior to the late 1960s are now required to have affirmative action programs. After implementation began, employers faced a severe recession. Employers who had to reduce their labor force had to choose between compliance with their affirmative action agreements or with seniority provisions of their labor contracts, which required that the last hired should be the first fired. Craft summed up the dilemma:

TABLE 10.12

FULL-TIME AND PART-TIME WORK EXPERIENCE OF PERSONS SIXTEEN YEARS OLD AND OVER, BY SEX, 1971-1973

	Both Sexes			Men			Women		
	71	72	73	71	72	73	71	72	73
Percent of Total Working	68.2	68.2	68.9	87.7	84.5	84.4	53.4	53.7	55.0
Percent Working Full-Time	79.4	80.4	79.3	87.2	87.7	87.4	68.1	69.2	68.1
Percent Working Part-Time*	20.6	20.0	20.7	12.8	12.3	12.6	31.9	30.8	31.9

*Part-time work is defined as 1-34 hours of work per week.

SOURCE: Anne M. Young, "Work Experience of the Population, 1973," *Monthly Labor Review* (December 1974), compiled from Table .

> The conflict between this widely accepted use of seniority and equal employment had become apparent with the recent economic recession. With the advent of the economic downturn . . . companies were compelled to reduce their workforces. Applying the well established and generally accepted seniority principle in layoffs led to a disproportionate reduction of blacks, females, and other minorities recently hired under affirmative action programs.[31]

Seniority can be looked at in two ways. On the one hand, even if seniority is plantwide--that is, calculated by a whole plant or campus rather than by their individual units or departments, a practice that hurts minorities and women--it perpetuates past discrimination, because women and minorities will still be fired first. On the other hand, seniority can be viewed as being neutral--the "only safeguard against capricious or selective layoffs which most harm women and minority group members."[32] While the seniority system, some supporters contend, continues the effects of past discrimination, it was not designed to affect any group. Therefore, abandoning seniority would ultimately hurt individuals who had not participated in discrimination.

The position that strict seniority is incompatible with affirmative action requires employers to maintain separate seniority lists for white males, females, and minorities, resulting in the maintenance of the racial ratio extant before layoffs occurred.

Several attempts have been made to modify the use of strict seniority systems. At a recent meeting of the American Federation of Teachers (AFT), a predominately black local introduced the following resolution:

> Whereas, in times of a justifiable reduction in the work force traditionally layoffs are made in conformance with an existing seniority system, and teachers hired under an Affirmative Action program would be among those with low seniority and would be the first to go . . . Be it therefore resolved that this 60th Annual Convention of the AFT call for construction of seniority clauses in the collective bargaining agreements that will make it possible to carry out the objectives of

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[31] James A. Craft, "Equal Opportunity and Seniority: Trends and Manpower Implications," *Labor Law Journal* (December 1975), p. 753.

[32] "Union Seniority Clauses Termed Safeguards for Women, Minorities," *CLUW News* 1 (Summer 1975): 1.

> both agreements (seniority and affirmative action) to the fullest extent possible.[33]

The motion was tabled. In higher education, the New Jersey Conference submitted a proposal to the AAUP that fared no better. Calling for "affirmative retention," they stated that "cutbacks should not be implemented in such a way as to compromise any achievements of affirmative action programs for women and minorities. . . ." The conference recommended that prevailing racial and sex ratios should be maintained.[34]

Even the courts have been asked to deal with this question by addressing three important issues. First, should employers who discriminated in the past make compensation for lack of promotion and seniority of those who have been discriminated against? Second, should strict seniority have precedence over racial goals that have been effectively imposed, often by court order? Third, should retroactive seniority be awarded?

On the first issue, in June 1976, U.S. District Judge Gerhard Gesell ruled that a male plaintiff who had been denied a promotion in favor of a woman who had scored lower on a qualifying scale was not entitled to the promotion, but was entitled to money damages from his employer. Since the employer and not the employee had discriminated in the past, the worker should not have to bear the full burden of redressing the employer's discriminatory practices.[35]

The second issue has been explored in a recent New York case that was decided in favor of seniority when it conflicted with racial goals. To protect jobs of recently appointed black or Puerto Rican principals and supervisors, a federal district judge ruled that each school district could place black and Puerto Rican supervisors on an excessing list only "if the percentage of that group on the list does not exceed the percentage of that group in the district." Upon appeal from the school board, the U.S. Court of Appeals for the Second Circuit reversed the lower-court judge, noting that "if racial quotas prevent the excessing of a black or Puerto Rican, a white person with greater seniority must be excessed in his place." Therefore, the court reasoned, the consequence was reverse discrimination. A dissenting opinion contended that efforts to remedy past discrimination should include altering the "bona fide seniority system . . . even if that seniority system does not itself independently constitute an unlawful employment practice." The majority, however, countered that the "excessing practices were not discriminatory, that the racial quota did not address any discriminatory feature of seniority but rather that there be a specified quota of blacks and Puerto Ricans in the New York City school system."[36]

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[33] Gregg W. Downey, "What School Boards Do When that Irrestible Force Called Reduction in Force Meets that Immovable Object Called Affirmative Action," *American School Board Journal* 163 (October 1976): 38.

[34] *AAUP Bulletin* (August 1976), pp. 180-81.

[35] See, for example, "Seniority and Civil Rights," *Chronicle of Higher Education* 18 (December 1976): 12.

The third issue was first addressed in March 1976, when retroactive seniority became a tool to protect the civil rights of minorities and, by implication, women. In a landmark civil rights ruling, the U.S. Supreme Court declared in *Franks v. Bowman* that blacks denied jobs in violation of the Civil Rights Act of 1964 must be awarded retroactive seniority once they secured those jobs. Thus, blacks must be given the same seniority they would have received had they landed the job without discrimination. Along with seniority, they are entitled to rights and pension benefits deriving from the date of what would have been their initial employment. (Judge Gesell referred to this decision in making the ruling alluded to above.) The ruling applies on a case-by-case basis. The aggrieved person must prove in federal court that he or she was denied the job in question because of unlawful discrimination after Title VII went into effect.[37]

The Supreme Court ruling also reversed several lower-court decisions stating that Title VII did not require granting retroactive seniority. However, according to Oelsner: "The decision leaves unanswered the question whether retroactive seniority is to be awarded to a person who was denied a job on the basis of race or sex before the enactment of Title VII or to a person who did not initially apply for a job because it was well known in the community that the employer did not hire blacks."[38] The court did, however, address the issues of seniority and affirmative action, acknowledging that retroactive seniority was necessary to accomplish the goals of the Civil Rights Act. The court thus managed to endorse seniority as an important and just criterion for layoffs or related actions. By simultaneously affirming seniority and bolstering the campaign to redress discrimination, the court undercut much criticism directed against seniority during the recent recession.

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[36] *Integrateducation* 14 (May-June 1976): 53-54.

[37] Lesley Oelsner, "High Court Grants Blacks Retroactive Job Seniority," *New York Times*, March 24, 1976.

[38] *Ibid.*

A Supreme Court decision, while often settling profound questions, leaves many issues unanswered. School systems are still grappling with the issue of seniority and affirmative action. In New York City, a court decision ordered that school employees should receive "constructive seniority" to offset past discrimination, resulting from the use of tests as a basis for hiring. A spokesperson said: "We've been ordered to go back many years and determine what tests black and Hispanic personnel might have taken but didn't, or did take and failed. Based on this information, we're supposed to work out a system to give them additional seniority."[39] The Supreme Court decision is apparently playing a role in New York City schools.

Shortly thereafter, in November 1976, the Office for Civil Rights charged that the New York City system had discriminated against women and minority teachers in hiring, promotion and assignment.[40] The civil rights agency gave the city ninety days to develop an interim plan or lose $200 million in federal education funds. Charges facing the school system are that its examinations for hiring were discriminatory, women were denied access to administrative positions and female teachers were denied fair seniority rights because of past discriminatory leave policies.[41]

Tenure

The difference between tenure and seniority is that seniority is cumulative from a specific date, while tenure status is reached after a requisite time period and provides due process in the event of dismissal. Tenure is supposedly awarded by ability and accomplishment. Seniority exists independently of other criteria. A coveted prize, tenure presumably guarantees--barring some heinous act--the continuous employment of a teacher. General dismissal of tenured teachers was unheard of until recently.

According to a survey by the American Council on Education (ACE), the proportion of colleges with tenure remained about 85 percent between

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[39] Gregg W. Downey, "What School Boards Do When That Irresistible Force Called Reduction in Force Meets that Immovable Object Called Affirmative Action," pp. 36-37.

[40] Lena Williams, "School Job Bias in NYC Charged by US," *New York Times*, November 10, 1976.

[41] Letter from Martin H. Gerry, Director, Office of Civil Rights to Chancellor Irving Anker, Board of Education of the City of New York, November 9, 1976.

1972 and 1974. However, during the past few years, some institutions have dropped tenure and most institutions are granting it to fewer and fewer faculty members. A number of problems have led management in higher education to re-evaluate tenure. Financial exigency is perhaps the most pressing. Slower growth in enrollment and fear of its decline, higher costs and less money and fewer new faculty positions have made colleges cautious. They fear that too many tenured faculty members would reduce their flexibility. Between 1968-69 and 1972-73, the proportion of the nation's tenured professors increased from 50 percent to 65 percent. Some institutions have placed quotas on tenure. In 1972, 5.9 percent of institutions of higher education reported that they limited the percentage of tenured faculty; in 1974, the figure was 9.3 percent.[42]

A second issue leading administrators to question tenure is the growth of unionization and collective bargaining. Collective bargaining emerged on campus in 1969 when the first union contracts took effect at major colleges and universities. By 1975, faculties at more than 400 of the nation's 2,400 institutions of higher education had voted to unionize. Despite this trend, some commentators argue that unionization and higher education may not be compatible. According to Chait and Ford, unions are pledged to protect their members equally, while tenure gives special protection to certain designated professors.[43] According to the *School Law Newsletter*, "tenure is losing ground as a legal concept and reliance on procedural due process is mushrooming."[44] This may be particularly true in institutions where the AAUP is the bargaining agent. While the AAUP had traditionally provided more protection to the tenured faculty member, in 1972 it moved to expand the rights of the non-tenured. The NEA provides essentially the same protections of due process to tenured and non-tenured professors.

The third issue affecting tenure is affirmative action. As of this writing, no court decisions in higher education have addressed affirmative action and layoffs or affirmative action and tenure. Chait and Ford contend that tenure conflicts with affirmative action, noting that to attain tenure, a faculty member must demonstrate continuous service and that such service generally occurs between the ages of twenty-six and thirty-two, a woman's childbearing years. Thus, a woman who withdraws from her job while her children are infants is at a disadvantage.[45] Tenure and affirmative action also can conflict in a layoff situation. Far fewer women and minorities have tenure than white males and they are thus particularly vulnerable to layoffs.

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[42] Elaine H. El-Khawas and W. Todd Furniss, "Faculty Tenure and Contract Systems: 1972 and 1974," American Council on Education Survey, reported in "Fact File," *Chronicle of Higher Education*, February 18, 1976, p. 9.

[43] Richard Chait and Andrew T. Ford, "Affirmative Action, Tenure and Unionization: Can There be Peaceful Coexistence?" ERIC Ed. 090 808, 1973.

[44] *School Law Newsletter*, vol. 6, no. 1 (n.d., probably 1976).

The questioning of tenure by supporters of affirmative action is somewhat ironic. Women and minorities, who only recently have secured jobs in higher education, will not be eligible for the security that tenure implies if it is eliminated. On the other hand, tenure presently threatens the job security of women and minorities who do not have it.

Increasing reliance on due process in academic job decisions, however, whether or not this supplements or replaces tenure, is encouraging to women and minorities. The *School Law Newsletter* summarizes due process as it affects all employees of education institutions.[46] Where due process has been implemented, staff employed for one year may have no expectancy of re-employment and may be terminated at the end of the contract. A staff member who serves for a given number of years, in some cases five, earns *de facto* tenure and an expectancy of re-employment. Such employment cannot be terminated at the end of the agreed-to-period without a due process hearing at which the employee can question the termination. In one sense, then, the trend is toward increasing fairness to the staff member, at least for employees with some seniority. First-year employees, however, many of whom may be women and minorities, at least where affirmative action programs have been implemented, remain vulnerable to dismissal.

These issues have been brought to the forefront by a late 1975 AAUP challenge to the issue of tenure. In *Browzin v. Catholic University*, a federal appeals court ruled that "a college or university which bumps a tenured professor from its staff because it discontinues courses for financial reasons must try to find the professor a new job."[47] The ruling was an affirmation of the AAUP's regulations governing tenured professors. This ruling has not, however, discouraged universities from laying off or dismissing tenured faculty members, and more court cases will have to be decided before an assessment can be made of the success of the AAUP's tenure/layoff policies. The Professional Staff Congress (PSC) at the City University of New York (CUNY) on September 2, 1976, brought a federal class action suit protesting the layoff of approximately 1,050 professional and technical personnel, 132 of them with tenure. The suit encompasses far more than the rights of tenured faculty, and its outcome is likely to be closely watched by academic persons.[48]

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[45] Chait and Ford, "Affirmative Action, Tenure and Unionization."

[46] *School Law Newsletter*, vol. 6, no. 1 (n.d., probably 1976).

[47] "The Faculty Shuffle: Court Clarifies Layoff Rules?" *Equal Opportunity in Higher Education* 5 (January 1976): 5.

PROSPECTS AND POLICIES

Although evidence on effects of retrenchment on women and minorities in education is not substantial, the conflicts among affirmative action, seniority, and tenure are beginning to be faced. This concluding section examines in more detail attempts to resolve the potential difficulties as well as proposed alternatives to layoffs or reductions in force.

Collective Bargaining, Affirmative Action and Layoffs

Negotiated agreements that can be used to preserve affirmative action gains are not widespread. Attempts to represent women and minorities in labor negotiations usually are perceived as conflicting with the seniority principle. The status of affirmative action agreements is in flux; guidelines are issued, overruled, appealed, reinstated, and overruled. This section will describe a few agreements that have overruled strict seniority to protect recent gains of women and minorities.

In Ann Arbor, Michigan, the collective bargaining agreement countered the last-hired, first-fired effect by prescribing separate seniority groups for undefined racial categories so as to maintain racial ratios. In Lansing, Michigan, first-year, probationary and ethnic-minority teachers were exempted from seniority-mandated reductions under the following arrangement: "If, at anytime, the percentage of ethnic minority teaching personnel reaches the ethnic minority student population percentage norm, further staff reduction shall result in maintaining a racial balance among staff no lower than the existing student ratio."[49] The Michigan Civil Rights Commission has vigorously sought to preserve minority gains. Concerned about the heavy impact of layoffs on recently hired women and minorities, the commission emphasized in a policy statement in 1975 that, while it was not seeking to end seniority practices, in such cases where seniority perpetuated the effects of past discrimination, it would seek to modify the system. Finally, it pledged to review carefully "any case where it is found that a layoff-recall system perpetuated the present effects of past discrimination."[50]

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[48] "Federal Suite Challenges 1050 Firings at City University," PSC News Release, September 2, 1976, p. 1.

[49] Thomas Saucedo, "Negotiated Reduction-in-Force Provisions," *Negotiations Research Digest*, June 1975, p. 18.

The Washington Education Association, which represents the majority of state elementary and secondary school teachers, has supported efforts to maintain women and minorities in school systems that have had discriminatory practices. The association agreed to dual layoff systems when justified in accordance with the positions and provisions enunciated by the Human Rights Commission. The response of the superintendent of public instruction was to apprise all relevant persons and agencies that:

> RIF (reduction in force) policies must adhere to affirmative action principles in order for the school districts' affirmative action in employment program (policy and implementation plan) to be considered a "good faith effort." Effective immediately, reduction in force policies and implementing practices and procedures are required of all school districts as a component of their affirmative action in employment programs. . . .[51]

Affirmative retention is new to collective bargaining. Its success depends largely upon the good will of the local teachers' associations. Past discrimination is an undisputed fact, but efforts have been made to redress this inequity. The possibility still exists that layoffs by strict seniority might erode the legitimate gains of women and minorities. The NEA has strongly urged all local affiliates to adopt affirmative retention language in their negotiated agreements and to modify seniority policies so that women and minorities are not disproportionately affected.[52]

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[50] Michigan Civil Rights Commission, policy statement, August 26, 1973, p. 3.

[51] Superintendent of Public Instruction, Washington State, Bulletin No. 2-76, Executive Services, May 10, 1976.

[52] National Education Association, "Employment Affirmative Action through Collective Bargaining," n.d., p. 29.

The most comprehensive discussion of policy issues related to retrenchment on women and minorities is by Raymond E. Schultz.[53] Schultz concludes that strict length-of-service criteria for staff reductions would offer the least financial relief to an institution, hurt women and minorities, and deprive institutions of creative new and young faculty. In what he terms a "sane approach to staff reductions," Schultz recommends that an institution keep up-to-date on enrollment and programs and calculate trends; pinpoint programs and courses where overstaffing and understaffing exist or seem likely to occur; reduce non-salary expenditures; make available such voluntary cost reductions as leaves and early retirements; consider the termination of non-tenured, part-time and tenured faculty according to the needs of the institution and the requirements of equal employment as well as seniority; and place terminated faculty on furlough rather than layoff.

Alternatives to Layoffs[54]

Work-sharing

The Commission on Academic Tenure in Higher Education advocated a plan of work-sharing as an alternative to layoffs. The latter part of the commission's report expressed concern that full-time tenure positions are an obstacle to the pursuit of academic careers by women. Part-time appointments with tenure can assure employment of the greatest number of teachers during a time of retrenchment. Precedent exists for modifying tenure systems to recognize part-time service. For example, at Columbia University and Princeton University, part-time career appointments carrying tenure are available to faculty members eligible for promotion to all ranks.

Hiring Freezes

Most institutions of higher education now undergoing or expecting financial exigency are planning hiring freezes. Natural attrition to reduce faculty ranks is in some ways preferable to laying off, but it is not without problems for prospective employees and institutions as well. First, institutions do not, at least in the short-run, save by freezing hiring; senior faculty and staff command higher salaries and benefits than the newly hired. With depressed economic conditions, senior faculty and staff are also likely to put off retirement as long as possible. Thus, in the immediate future, hiring freezes are more likely to maintain costs than to cut them. While hiring freezes in lieu of layoffs may preserve the jobs of newly hired women and minorities, women and minorities are, ironically, the ones most likely to be frozen out of hiring.

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[53] Raymond E. Schultz, "A Sane Approach to Staff Reductions," *Community College Review* (January 3, 1976).

[54] For the most comprehensive discussion of this topic, see Edith Lynton, *Alternatives to Layoffs*, report of a conference held by the New York City Commission on Human Rights, April 3-4, 1975 (New York: New York City Commission on Human Rights, 1975).

Early Retirement

In reports on alternatives to layoffs and cost-cutting techniques, early retirement emerges as the favored measure.[55] One district that has used this method to advantage is the Pasadena Unified School District, which has encouraged teachers at the maximum salary to retire early. Retirees are retained by the district as consultants for a maximum of twenty days per year for a period of five years, or to age sixty-five, whichever comes first. Prior to September 1972, thirty-three Pasadena teachers and administrators were participating in the program. The district saved $105,000 by not filling their positions or by hiring people at the bottom of the salary schedule.

Formidable obstacles, however, thwart early retirement programs. Retirement benefits for teachers tend to be determined by legislation on an individual state-by-state basis and are not subject to collective bargaining. Consequently, improvements in retirement-benefit programs often require legislative action.[56]

New Clientele

Financially strapped schools have not only developed cost-cutting techniques. Education institutions, especially the AFT, have also sought new clientele. According to the AFT, declining enrollments and teacher oversupply may be countered with strategies for expanding the functions of schools and broadening the population that they serve.

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[55] National Education Association, "Reductions in Force Among Teachers from the Local Association's Perspective: A Challenge Posed by an Emerging Problem," n.d., pp. 45-47.

[56] National Education Association, "Reductions in Force Among Teachers from the Local Associations' Viewpoint," pp. 45-46.

The AFT has proposed a new, comprehensive program called Educare, which includes three major components. The first, universal early childhood education, calls for the public schools to become involved in the care and education of children below the age of six. The second, lifelong education, would expand the public school system to include extensive adult education and retraining opportunities. Under the lifelong education proposal, adults wishing to return to school for retraining and job upgrading, and those who enjoy learning, would be offered a variety of public school opportunities heretofore available only to veterans covered by the G.I. Bill of Rights. The third aspect of Educare calls for more thorough teacher-training. Graduates from teacher-training institutions would receive practical, intensive, on-the-job taining under the tutelage of experienced teachers before assuming responsibility for their own classes. The intern teacher would serve in such a capacity for a period of one, two, or three years, in a manner analogous to a medical internship.[57] Supporters note that Educare would prevent widespread layoffs and unemployment among teachers.[58]

Higher education is also seeking to expand its clientele. Colleges and universities are trying to attract older students and are beginning to offer more job-related programs.

Affirmative Retention

Reconciling affirmative action and seniority remains difficult. The AAUP holds that, while termination policies should strictly respect seniority, they should also involve "considerations of educational policy, including affirmative action, as well as of faculty status. . . ."[59] The AAUP refused to adopt a proposal in support of affirmative retention, under the terms of which prevailing ratios of women and minority faculty would be maintained in periods of layoff, explaining that their position was already clear. The actions of the AFT have been similar.[60] The only higher education collective bargaining association to deal explicitly with the issue of affirmative retention is the NEA. Noting that layoffs based solely on seniority might lead to the erosion of female and minority representation in teaching and administration, the NEA has advocated affirmative retention provisions.

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[57] Robert Bhaerman, "Educare and the Teacher Internship Concept," American Federation of Teachers and the AFT Early Childhood Education Information Package.

[58] Criticisms of Educare include: (1) it is expensive and would require infusion of additional funds; and (2) it may not be the best public policy to make public schools responsible for early childhood and daycare programs.

[59] *AAUP Bulletin* (August 1976), p. 181.

[60] Gregg Downey, "What School Boards Do When that Irresistible Force Called Reduction in Force Meets that Immovable Object Called Affirmative Action," p. 35.

In Pennsylvania, a management directive from the governor's office held that, as part of the approved plan for retrenchment of employees in the state colleges, "women and minorities shall be maintained in determining which persons are assigned to the positions remaining after the retrenchment discussions and planning have resulted in a projection of reduced employment. The pre-retrenchment percentages of representation of white males, women and minorities in each bargaining unit shall be maintained after the final layoff list has been prepared."[61] In a recently negotiated contract at Southeastern Massachusetts University, the tension between representation of women and minorities and seniority was resolved by adherence to straight seniority for current faculty and division of those hired after the contract took effect into two seniority lists--one for women and members of minority groups, and the other for white males. Any future layoffs are to be divided between these two lists.[62]

These provisions are exceptional; how they would fare under legal challenge is open to question. Far more common are provisions that, while acknowledging the problem, are vague on its resolution. Temple University and the AAUP agreed, with the obscurity typical of most affirmative retention provisions: "Whenever possible, retrenchment should be consistent with the university's moral and legal commitment to Affirmative Action."[63]

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[61] Commonwealth of Pennsylvania, Governor's Office, Management Directive #410.3, June 10, 1975.

[62] Phillip W. Semans, "Faculty Unions Focus on Job Security," *Chronicle of Higher Education* (November 1, 1976), p. 3.

[63] Agreement between Temple University and the AAUP, Article VII D, p. 16.

CHAPTER XI

OPERATIONAL INCENTIVES AND THE GROWTH OF COMPETITION IN THE EDUCATION SECTOR

Ami Zusman
Stephen Weiner

INTRODUCTION

Static or declining enrollment levels among traditional age groups are confronting many educational institutions. Nationwide enrollments in regular elementary and secondary schools declined from 51.3 million in the fall of 1970 to 49.8 million in the fall of 1974. They are expected to drop to 44.8 million by 1984. Although overall higher education enrollments are generally expected to increase until the mid-1980s (but much more slowly than in the past), many colleges and universities are already feeling enrollment declines.[1] These enrollment trends are pressuring many institutions to expand adult enrollments to avoid or limit staff layoffs. Inflationary pressures on regular programs also are prompting institutions to expand adult-oriented classes. Because many adult-oriented classes cost less to operate (since many are taught by lower-paid, part-time staff), such classes may provide excess funds for the support of regular programs hit by rising costs. The incentive to expand lower-cost adult classes is especially strong when enrollments in these classes are eligible for public subsidies greater than the costs of educating the students.

Needs and demands for further adult education are increasing. Many institutions, particularly those which define themselves as "open-door," are strongly committed to serving these needs. Job retraining in a changing job market, re-entry of women into the work force, rising educational expectations, and growth in leisure time are among the pressures creating greater demand for adult education. Carp *et al.* estimate that 80 million adults in the United States would like to undertake further learning. In addition, the children of the post-World War II "baby boom" are now entering the ranks of young adults (under age 35), and it is this age group which engages in adult learning activities more often than any other.[2]

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[1] U.S. Department of Health, Education and Welfare, Education Division, *Projections of Education Statistics to 1984-85* (Washington, D.C.: U.S. Government Printing Office, 1976).

One result of increased recruitment of (and dependence upon) adult students may be greater competition and conflict among the many institutions seeking out adults. Because programs for adults cover a broad range that is difficult to define, division of responsibilities among institutions has not been clearly drawn. Conflicts over "turf" would, therefore, seem likely. Increasing competition and conflict seem particularly likely between high school adult programs and community colleges because in many states these institutions already serve a somewhat overlapping adult clientele in classes that often receive significant state and local aid.

The projection of increased competition and conflict among institutions raises a number of research and policy questions:

1. Are high school adult programs and community colleges in fact competing for the same students?
2. At a time when state and local budgets for education are constrained, is there unnecessary duplication of publicly-supported programs serving adults, and therefore inefficient use of public dollars?
3. What seem to be the major influences which affect the development of competition or conflict over adult enrollments?
4. Does competition appear to affect who is served by adult-oriented programs or what types of programs and courses are offered?
5. Should the state respond to indications of increased competition, conflict, or duplication among institutions?

California gave us an opportunity to explore the problem of conflict and competition for adults between high school adult schools and community colleges under conditions of static or declining elementary and secondary enrollments.[3]

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[2] A. Carp, R. Peterson, and P. Roelfs, "Adult Learning Interests and Experiences," in *Planning Non-Traditional Programs*, ed. by K.P. Cross and J. Valley and Associates (San Francisco, Calif.: Jossey-Bass, 1974), pp. 11-52.

Attendance in elementary and secondary schools in California declined about 4 percent statewide between 1970-71 and 1975-76. During the same period, state-supported adult-oriented enrollments increased sharply in both adult schools and community colleges. Between 1970-71 and 1974-75, average daily attendance (ADA)[4] of students in high school adult classes in California increased 66 percent, to total 165,773 ADA in the second principal apportionment period[5] (California Legislative Analyst, 1976). In California's community colleges, "defined adult"[6] ADA grew 58 percent (to 138,047) between 1970-71 and 1974-75, while ADA in ungraded community college "classes for adults" dropped during this period (but then rose slightly in 1975-76, to total 61,537 ADA).[7]

Because the California Legislature passed several pieces of legislation designed to curb the growth of adult enrollments or reduce "unnecessary duplication" among institutions, the California situation also presented an opportunity to study how state legislative action appeared to affect competition and conflict between institutions.

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[3] In California, "adult schools" offering "classes for adults," are separate institutions within unified or high school districts. Adult schools have their own principals and faculties and frequently have their own facilities. Some adult classes are operated and directed by regular high schools in locales where adult enrollments are limited.

[4] Average daily attendance (ADA), based on the total number of pupil hours of attendance divided by 525, is the measure used by the state to determine funding levels for the secondary schools and the community colleges.

[5] During the same period, adult ADA in high school and county regional occupational centers and programs (another part of the secondary school system) rose 284 percent, to 55,961 ADA.

[6] "Defined adults" were students who were 21 years or older and taking fewer than ten class hours per week. As we shall note below, many "other than defined adult" students, enrolled in regular degree-credit college classes, had non-degree, non-certificate "adult" objectives. Partly for this reason, state legislation in 1976 eliminated the distinction beteen "defined adults" and "other than defined adults" in the community colleges. Between 1970-71 and 1974-75, total community collage ADA rose 32 percent (to 682,534) (California Legislative Analyst, 1976).

[7] U.S. Department of Health, Education and Welfare, Office of Education, *Statistics of Public Schools, Fall 1970* (Washington, D.C.: U.S. Government Printing Office, 1971); U.S. Department of Health, Education and Welfare, Education Division, *Statistics of Public Elementary and Secondary Day Schools, Fall 1975* (Washington, D.C.: U.S. Government Printing Office, 1976).

STUDY DESIGN

A short-term assessment of the development and perceived impact of adult school-community college conflict and competition for adult enrollments in three differing geographic areas in California was conducted during summer and fall, 1976. The study was limited to relationships between community colleges and adult schools because initial interviews confirmed the earlier assumption that overlap, conflict, and potential competition for adults were greatest between these two education sectors. (Other types of institutions did not pose much competitive threat to the adult schools or community colleges, largely because adult programs in these other institutions were required to be self-supporting.)

Three areas in California were selected to exemplify what the authors anticipated would be differing levels of adult school-community college competition for adult enrollments. In our selection of these areas, several state agency staff members who work with community colleges and adult schools were asked to identify areas where inter-institutional cooperation in serving adults was high, those where there was a moderate degree of competition, and those where competition for adult enrollments was intense. Because these agency personnel worked with institutions in different sections of the state, they often nominated different areas for the three categories. An effort was made to select those areas named by more than one expert. Each area examined included a community college and the adult schools and school districts which were within the locale of the community college. In addition, the three areas chosen provide a geographic spread across the state.

For this study, we defined "competition" as attempts by two or more institutions to recruit the same clientele. "Overlap" was defined as the offering by institutions of similar program or course coverage. whether or not a similar clientele is served. By "conflict" we mean the presence of suspicion and antagonism between institutions over values and claims to "turf," which produce efforts by the institutions to "neutralize, injure, or eliminate" the other party.[8] These terms are necessarily subjective. The study undertook the following tasks:

1. To determine the extent to which institutional administrators perceived conflict, competition, and duplication between their own and other institutions in the provision of educational services for adults.

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[8] L. Coser, *The Functions of Social Conflict* (New York: The Free Press, 1956), p. 8.

2. To delineate those factors which appeared to affect the development of differing levels of inter-institutional conflict or competition. In particular, to assess the perceived influence of declining enrollments and of state legislation, on conflict and competition.

3. To examine the relationship between the level of competition or conflict among institutions and the nature of the programs offered and students served.

4. To recommend appropriate state government response to inter-institutional competition.

Analysis of the development and perceived effect of competition and conflict in each of the three cases was based primarily on interviews conducted during the early fall of 1976 with key administrative personnel in the community colleges and adult schools. Interviewees included adult school principals and directors, and community college presidents and staff members with direct responsibility for continuing education, adult education, or community services programs at the colleges. A few additional interviews were conducted with city/county vocational education spokespersons and four-year institution representatives in the three regions and with adult school and community college representatives in three other areas of the state. To help determine the kinds of programs and classes being offered, catalogs, brochures, schedules of classes, and other institutional documents were examined.

For purposes of the study, adult students were defined as all students enrolled in the adult schools (or in other high school "classes for adults"), as well as those persons in community college programs who were not seeking to acquire a college degree or certificate. Adult programs were considered to be all those offered by adult schools and those community college classes which primarily enrolled adult students, as defined above. Although these definitions made determining the actual number of adult students and programs impossible, because they were based on the unknown motives of community college students, they were chosen because other more measurable definitions were unsatisfactory, and because school administrators have such definitions in mind when they argue that a course is or is not "adult." In the California community colleges, neither enrollment in regular college degree-credit classes, nor age, full-time/part-time status, nor day versus evening attendance serve to differentiate "regular" students from "adults." Just under half of all California community college students (by headcount) are enrolled in evening classes (after 4:30 P.M.). Most of them are presumed to be working toward traditional degree or certificate objectives and many students enroll in both day and evening classes.

One major limitation which became apparent only after the study was underway was the almost total absence of statistical data about the characteristics of adult students. Not only were there no data on the ethnicity or income levels of adult students, there was little or no information about the levels of formal education acquired by adult students or their goals and purposes in enrolling in courses. Thus, except for the perceptions of administrators, the study was unable to determine who is being served by the adult-oriented programs or whether competition affects the enrollment of particular groups, such as ethnic minorities, the low-income, or those interested in avocational pursuits.[9]

BACKGROUND OF THE STUDY: ADULT EDUCATION OVERLAP AND LEGISLATION IN CALIFORNIA

Program Overlap Between Institutions

California state law permits considerable overlap, and thus potential conflict between school districts and community colleges in the provision of "classes for adults" (generally referred to as "adult education" classes).[10] These are classes which receive both state and local funding and do not award college credit. Under "adult education," the state's Education Code gives both school districts and community college districts the right to offer: (1) vocational and occupational training and retraining programs for adults; and (2) "adult continuing education" programs, which include, but are not limited to, "parent education, consumer education, civic education, education in special fields, and education in the arts and humanities." School districts have the responsibility to provide adult basic education and high school diploma programs, unless by mutual agreement that responsibility is assigned to the community college district (Education Code, Sections 45040-45043).[11]

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[9] However, data on ethnicity are collected for regular school enrollment and for community college enrollments as a whole.

[10] In 1976, state legislation eliminated the designation "classes for adults" in the community colleges (but not in the secondary school system). Henceforth, the institutions will designate these classes simply as non-credit or ungraded community college classes.

[11] The typical range of adult education course offerings in a large adult school includes such classes as English as a Second Language, citizenship, bookkeeping, shorthand, typing, conversational foreign languages, social science, general mathematics, physical fitness, sewing, gardening, stained glass crafts, guitar, and woodworking. Some schools have large vocational programs including those for

In addition, both school and community college districts are entitled to offer "community service" programs, which are funded by local taxes (and/or student fees) and are ineligible for state aid. Community service programs are generally avocational and recreational and include expenditures for such non-instructional purposes as building and maintaining swimming pools.

In practice, the extent of overlap between school and community college programs varies widely across the state. In some areas of the state, such as in Los Angeles, all "classes for adults" are offered through the school districts. In other areas, such as in San Francisco, all adult education programs, including adult basic education and high school diploma programs, are under the jurisdiction of the community college district. Even where the community college offers no non-credit "classes for adults," overlap between the adult schools and the community college in the offering of programs oriented to the special interests and needs of adults may be considerable. *In fact, the California Postsecondary Education Commission* study concluded that, because so many students who enroll in regular credit classes in the community colleges do not have degree or certificate objectives, "continuing education for part-time adult students has become the dominant function of the Community Colleges . . ."[12]

Recent State Legislation

Several pieces of state legislation pertain to the impact of state legislative action on inter-institutional competition and conflict over adult enrollments.

Senate Bill 90 (Chapter 1138, Statutes of 1972) and Senate Bill 6 (Chapter 209, Statutes of 1973)

These bills, the first directed to the public school system and the second to the community colleges, altered state-local financing in

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cosmetology, automotive repair, dental assistance, and data processing. A community college may offer some or all of the above classes and programs, although it is likely to offer fewer basic skills and craft courses and many more longer-term vocational/technical programs (generally as part of the regular college curriculum, rather than in special adult classes).

[12] California Postsecondary Education Commission, *Through the Open Door: A Study of Patterns of Enrollment and Performance in California's Community Colleges*, staff document (Sacramento, Calif.: 1976), p. 1.

response to judicial concerns about disparities in inter-district expenditures. The bills permitted local funding to increase as enrollments increased, whereas before local funding was based on fixed maximum tax rates on assessed property value. The bills also increased the amount of state funds which most districts received for enrolling new students. At a time of heavy inflationary pressures on school and college budgets, declining enrollments in some school districts, and increasing interest by adults in continuing their education, the bills helped prompt institutions to expand low-cost adult enrollments. The result was large increases in both state and local costs for adult education.

The 1975-76 Budget "Cap"

In the state budget for 1975-76, a "cap" (or limit) of 105 percent of the previous year's attendance was placed on "adult education" average daily attendance per district which was eligible for state funding. Here, "adult education" was defined to include *all* students in the community colleges, regional occupational center/programs, adult schools, and other high school adult classes. Thus, state funding was provided for no more than a 5 percent increase in ADA over that supported by the state in 1974-75. Since at the time it was estimated that ADA increases would have reached 18 percent in the community colleges and 25 percent in high school adult classes if the "cap" had not been imposed, the "cap" was intended to curtail ADA growth brought about in part by S.B. 90 and S.B. 6 (*California Legislative Analyst, 1976*). Under the "cap," ADA grew 13 percent in the community colleges and 19 percent in the adult schools in 1975-76 (unpublished data from the California Community Colleges and the Department of Education). Costs for attendance growth above 5 percent were absorbed by the local districts. Arguments for extending the cap were weakened by strong political pressures from the institutions and the development of a large state budget surplus. The "cap" was removed after one year by the passage of S.B. 1641 (a bill described below).

Assembly Bill 1821 (Chapter 1269, Statutes of 1975)

This bill created regional adult and vocational education councils to review and make recommendations on adult and vocational education courses, to prevent what was labelled as "unnecessary duplication" of courses and services offered by the community colleges, the school districts, and the regional occupational programs. Each council is also to reach agreement on delineation of functions among the institutions and to conduct a regionwide needs assessment of skills in demand. Because the councils only came into being in July 1976, and because most were still working out operating procedures, there is no record yet of their impact, if any.

Senate Bill 1641 (Chapter 323, Statutes of 1976)

To reduce the fiscal incentive for school districts to expand low-cost adult programs, S.B. 1641 prohibited school districts from diverting funds appropriated for adult ADA for the support of the more expensive regular school programs. S.B. 1641 also established lower revenue limits for adult ADA in the school districts, based on the cost of such ADA (as determined largely by the school districts) during 1975-76 (which was established as the base year). Because setting a lower revenue limit for adult enrollments resulted in a correspondingly higher limit for regular school enrollments, there was some incentive for school districts to benefit their regular programs by figuring the costs of adult programs as relatively low. For the community colleges, S.B. 1641 provided that any increases in the institutions' (total) average daily attendance above that supported by the state for 1975-76 would receive an averaged state subsidy level which for many districts would be a lower-level of funding than that provided for enrolling new students under S.B. 6. S.B. 1641 also changed local financing of community college enrollments to a system that was linked to assessed property value rather than to size of enrollments. It was expected that this change would curtail enrollment growth.

THE CASES

The three geographic areas we studied differed in many respects from one another, yet in some ways the similarities among them were striking. We shall portray community college-adult school interaction in each of these areas before considering generalizations about the development and effects of competition or conflict drawn from the comparison of the three cases.

Area "A": "Open Warfare" Over Adult Education

High conflict, antagonism, and distrust marked relationships between the community college and the adult schools in Area "A," where the large and strong adult schools had long held a monopoly on the offering of adult classes. The adult schools and the community colleges were "playing different ball games," according to one respondent, until 1974 when the community college decided to initiate ungraded adult education classes. The result was "open warfare" as the adult schools tried to prevent the college from engaging in adult education.

Demographically, Area "A" is part of the urban sprawl that extends out of the Los Angeles area. It has relatively high population density and a large minority population, particularly Spanish-speaking. In the assessed property value per student, the school districts in this area are among the very poorest in the state. Because they are poor, the school districts receive a very large proportion of their revenue--up to about 85 percent--from the state under the state's equalization formula. A survey a few years ago found that nearly half the adult population in one section of Area "A" did not have a high school diploma. Average daily attendance (ADA) of first- through twelfth-grade students has been declining for several years in most of the school districts in the area. Community college A.D.A. is expected to remain at a relatively constant level in the next few years, although in the fall of 1976, the college's ADA dipped for the first time.

The community college in Area "A" was established by special election in the mid-1940s and was built in the exact geographic center of its service area, a location outside of the urban centers. A special local tax override to pay for the new institution's capital outlay was passed with the support of the local school districts. The price of this support was an informal "gentleman's agreement" between the college and the schools, that the former would leave all adult education to the school districts. For nearly thirty years, the community college offered no adult education programs and very few off-campus credit classes, despite its distance from the population centers.

During this period, adult schools were established for eight of the school districts--often only a few miles from one another. Today, several adult schools are staffed by what many called "aggressive"--and committed--directors. By identifying the interests of a large part of the community and taking advantage of state finance formulas and federal grants, these directors have built adult school enrollments that are among the largest in the state; one adult school had more than 7,000 A.D.A. in 1974-75. A relatively wide spectrum of adult programs are offered, although some adult schools specialize in specific subject areas. There are no residence restrictions on adult school enrollments in California, so some of the more aggressive directors have sought to draw students from surrounding communities, sometimes evoking territorial conflicts. Although the adult schools sometimes fought among themselves, they tended, as one adult school principal noted, to "band together like junior high boys at a dance" when others, such as the school districts or the community colleges, intruded.

In 1974, the community college so intruded when it announced that it planned to institute non-credit adult education classes and to expand its off-campus credit offerings. As head of its adult education program, it hired a director away from one of the local adult schools. According to community college administrators, the community college initiated adult education primarily to meet the changing needs of the population, and because the high school adult programs, large though they were, were not adequately meeting those needs in some sections of the college's service area. A secondary motive, admitted by some community college staff, was that adult education enrollments were eligible for state funding at levels often higher than the actual costs of the classes--a fiscal incentive provided by the state school finance formulas under S.B. 6. And community services classes, if transferred to an adult education program (as many then were) became eligible for state support.[13] According to the adult schools, on the other hand, the community college started up adult education for just two basic reasons: the financial incentive and the need to add adult enrollments to shore up anticipated declines in 18-year-old college enrollments. The adult schools argued that the college was duplicating adult school programs and trying to take them over, particularly those that the adult schools had found to be successful.

The reaction of the adult schools to the community college's plans was to unite and take the offensive. In an effort to avoid conflict, the college initially gave the schools the opportunity to veto classes they felt duplicated their own. Some schools vetoed every course the college listed--even those in geographic and content areas, according to the college, where the schools were not offering such programs. The college then withdrew veto rights from the schools. The college's non-credit adult education classes also apparently raised adult school suspicions about off-campus credit classes which the college had planned to offer. At the urging of the adult schools, the school districts refused to rent their facilities to the college for any classes. Finally, the adult schools turned to local state legislators for assistance, arguing that the college was duplicating adult classes at additional cost to the state. These complaints helped lead to state legislation intended to curb the growth of adult enrollments and to reduce "unnecessary duplication" between institutions (the budget "cap," S.B. 1641 and A.B. 1821). Under pressure from the adult schools and constrained by the "cap," the community college cut its plans for adult education classes and largely scrapped its intended move toward more off-campus credit classes.

Nevertheless, although the resulting program was much smaller than originally planned, the college did manage to maintain and even increase its adult education classes and ADA. In 1976, it offered adult education courses such as reading skills instruction, conversational Spanish and drawing classes for senior citizens, apprenticeship instruction and physical fitness classes, all of which were also being offered by the adult schools. The college maintained and increased its adult education program partly because it had already committed resources and personnel to the program and partly because the pressures on the college were not severe enough to prevent it from modest growth. Nor did the college's entrance into the adult education arena cause adult school administrators to try to shift their own program emphasis or recruitment patterns, according to the administrators. Yet the adult schools also continued to expand adult ADA.

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[13] Keim argues that community colleges nationwide have been changing most non-credit community services programs to "continuing education" programs "which are coincidentally eligible for the desired state apportionment funds." W. Keim, "A Dynamic Definition of Service," in *New Directions for Community Colleges*, ed. by H. M. Holcomb (San Francisco, Calif.: Jossey-Bass, 1976), p. 8.

At the end of 1976, conflict between the two sectors remained high, but somewhat lower than in 1974.

Area "B": Shifting Positions in Adult Education

In contrast to Area "A," in Area "B" it was the school districts which challenged past arrangements for adult programs. The adult schools, which were established by the school districts only within the last nine years, had recently begun offering classes in subject areas similar to those offered by the community college and, in some instances, had tried to push community college classes out of school facilities. Friction and hostility between school and community college increased as a result, but there was a sense that a new "balance" in who provides which adult programs would result.

Adult enrollments are much smaller in Area "B" than in Area "A." The largest adult school in Area "B" had an average daily attendance of less than 800 in 1974-75, while ADA in the community college's "classes for adults" was about 350 in 1974-75. Area "B" is a small town/suburban region with many retired persons. Compared to those in Area "A," the school districts in this area receive a much lower proportion of their revenue from the state because under the state's equalization formula they are calculated to be wealthier. However, the wealth of the several school districts in this area varies considerably.

As in Area "A," the community college in Area "B" was established in the mid-1940s by special election. Unlike Area "A," however, there was no "gentleman's agreement" that adult education would be left to the schools. In fact, until the mid-1960s, only the community college provided adult education classes--and it offered relatively few. Unlike Area "A," the community college in "B" was able to rent classroom space for off-campus college credit classes in almost every high school in its district.

Beginning in the mid-1960s, a few adult schools were established by the local school districts. According to one adult school director, the community college was upset that adult schools had entered "its" jurisdiction. However, the level of conflict appears to have been limited--perhaps because both sectors had relatively small adult education programs. Subsequently, however, the adult schools began to expand, offering courses in program areas such as business, English as a Second Language, and conversational foreign languages--all fields in which the college was already offering non-credit and/or credit courses. Within the past five years, the community college began broadening the type of credit courses it offered.

The reasons given for the expansion of adult education programs in this area were similar to those given in Area "A." Both sides said the other was fiscally-motivated and that their own programs could provide adult education more cheaply (the adult schools) or better (the community colleges). For at least one school district, declining enrollments in K-12 were a major influence in starting adult classes; but in other school districts, enrollments were not declining.

As a result of the changes by both sectors, the school districts began to perceive both credit and non-credit community college classes as conflicting with their own--or with classes they wanted to offer. Although for the most part their adult enrollments were still growing, several school districts now denied the community college use of their facilities, or else raised the rental charges exorbitantly.

At the same time, however, the area of conflict began to be reduced by independent action from the local community college board. Responding to charges by the state's governor that adult educators were offering "frill" courses at state expense, the board went on record against such courses at the college, many of which were oriented to senior citizens. According to a college administrator, the local board saw in the governor's statements a confirmation of its own attitudes about the comparative value of adult education and "regular" academic and vocational programs and chose to cut back courses the board perceived as inappropriate. In the fall of 1976, a number of these non-credit classes were cut out of the curriculum, and overall enrollments in non-credit classes dropped 35 percent.

Local board attitude (and, indirectly, state legislation) was probably the major influence on how much adult education the adult schools offered as well. The school boards (along with administrative personnel in the school districts) determined how much adult education classes "really cost," and thus how much money they would get under provisions of Senate Bill 1641. For some adult schools, S.B. 1641 was "a boon," providing a good level of funding and a basis for expansion. But one adult school, where local attitude was less favorable, found its revenue limit cut sharply and had to pare down its enrollments. Another, where local voices had decried the expansion of adult education, had its minimum class size raised, with the result that a sizable number of classes had to be cancelled.

Given the attitudes of the community college board, the college seems almost certain to turn over some adult classes to the adult schools. Moreover, some respondents felt that the regional council established under A.B. 1821 would consolidate the shift of adult education responsibility toward the adult schools, thus reducing duplication and conflict over such adult education classes. On the other hand, the council will do little to reduce perceived conflict and competition over the community college's credit classes.

In the case of Area "B," the actions of local school and community college boards were much more influential than conflict and competition between the two sectors in affecting the type and range of adult classes provided.

Area "C": Living Within Largely Self-Imposed Limits

Careful avoidance of conflict characterizes relationships between community college and adult schools in Area "C." Here, the two sides adopted different self-images and separate roles which greatly limited the amount of overlap in adult education. The community college largely stayed out of non-credit adult education and most other adult-oriented classes, and the adult schools generally avoided classes which are traditional parts of a community college curriculum, such as psychology or long-term vocational training programs. There was a readiness to compromise when questions of responsibility arose. Most often, it was the community college which pulled back when such conflicts developed.

Area "C" covers a large geographic region which includes both urban and rural sections of central California. In the urban areas, there are some fairly large adult school enrollments, with close to 2,000 ADA in one adult school and about 650 in another in 1974-75. In the community college, on the other hand, there was only a tiny enrollment in non-credit classes for adults in 1974-75. Area "C" school districts are relatively low-wealth districts. Some of them receive up to about 50 percent of their revenue from the state under the state's equalization formula (a percentage much lower than in Area "A" but considerably higher than in Area "B"). There is a sizable Spanish-speaking population.

Adult education classes were set up by the school district in the major urban area of Area "C" more than sixty years ago. A second school district began adult education with district unification in 1960. The community college in Area "C," unlike those in Areas "A" and "B," was established as part of the largest school district and remained a part of it until the mid-1960s when, pursuant to state legislation, it became part of a separate community college district. When the community college separated from the school district, a verbal agreement between the school district and the newly separate college was made: adult education would remain the responsibility of the school district.

The urban adult schools have reminded the community college of that agreement when the latter appeared to stray out of the pre-determined boundaries. The college has then generally backed down. In 1976, for example, the community college developed several non-credit classes for senior citizens--classes which the adult schools had expressed little interest in offering. But the adult schools complained that the college had intruded into their area and demanded that the classes be turned over to them. Although the college staff members resented the schools' approach--"I'm not in the business of starting up classes for others," said one--it agreed to turn over the classes to the schools. Usually, however, the college simply did not try to offer many non-credit adult education classes. Nor, compared to some other community colleges, did it offer many credit-bearing courses geared primarily to "adult students" (that is, to those not seeking to pursue degree or certificate programs).

To some extent, the adult schools also backed down when the community college raised protests against proposed adult school courses. For example, an adult school stopped considering a particular vocational program when the college protested that it already offered the program.

Nevertheless, some friction and ill-feelings developed between the adult schools and the community college, especially over the college's expansion of off-campus credit classes at a time when the urban area adult schools were expanding their adult programs. Despite some feelings of intrusion, however, school districts permitted the college to rent school facilities for credit classes (though sometimes not in the city schools where adult school classes were being offered) because the schools did not feel seriously threatened. For the most part, conflicts and frictions remained below the surface--showing up in adult schools' resentment of perceived community college "lack of entrance requirements" (since California community colleges may admit anyone over age 18 perceived as "able to benefit" from instruction), or the community college's resentment of what it saw as the adult schools' "proprietary" attitude toward all courses of potential interest to adults. Recent state legislation has appeared to have little impact on either the tensions or the division of functions between the two sectors. However, one college administrator speculated that the A.B. 1821 council, by bringing covert tensions to the surface, might actually "harden the territorial imperatives of the different segments."

There was relatively low conflict over adult programs and enrollments in Area "C," but there was also no genuine cooperation or coordination among the institutions. The institutions generally sought simply to avoid conflict within their established boundaries. They went their own ways.

THE DEVELOPMENT OF CONFLICT BETWEEN EDUCATION SECTORS

Conflict, Not "True" Competition

If competition is defined as "a situation in which the decision unit and at least one other seek to influence the behavior of a third party," then there was competition between the adult schools and the community college in all three areas examined because all the institutions sought to attract adult students to courses which overlapped, at least partly and often substantially with those of other institutions in their area.[14] But given the large untapped pool of potential students, "competition" emerging from overlap of functions did not appear to result in the drawing away of students already enrolled in other institutions. With only a few exceptions, due primarily to factors such as local board attitudes rather than to competition, adult enrollments in both the adult schools and the community college in each area expanded--even as new competitors entered the scene. Indeed, the majority of institutional administrators denied that they were in competition with the other institutions. For these reasons, apparent competition and duplication were not the major factors affecting relations between the community college and the adult schools. For example, there were more duplicated or overlapping classes between the community college and the adult schools in Area "B" than in Area "A," but relations between the two sectors were far more strained and hostile in Area "A."

On the other hand, conflict between the community college and the adult schools in the form of suspicion, resentment, and antagonism was present in each of the three areas. However, the intensity of such conflict differed considerably among the areas because of specific conditions and forces.

Why Conflict

Conflict between the adult schools and the community college was present in all three areas because the ambiguous and overlapping roles of the two sectors created fears and uncertainties about what "the other side" might do. And conflict grew because incentives and commitments for gaining still more adult enrollments and dollars induced many institutions to seek to enter what had been others' "turf" or to try to kick others out of the adult area.

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[14] J. D. Thompson, *Organizations in Action* (New York: McGraw-Hill, 1967), p. 136.

Overlapping Roles, Different Institutions

Downs notes that an organization is extraordinarily sensitive to perceived incursions into its "territory" by another organization because it "usually cannot forecast all [the] possible ramifications [of the other's actions]. What looks trivial today may prove to be a major threat tomorrow."[15] The overlap in functions between adult schools and community colleges in California, written into state law, caused each side to see the other as a threat. Even though the other side was not drawing away their own students, institutions feared that this might eventually happen. And the ambiguity of just what an adult program was made institutions uncertain whether in fact another was intruding on their turf. Given this uncertainty, institutions, particularly the adult schools, were likely to treat any changes in the other sector's course offerings as invasions of their territory. Moreover, Clark argues that, because of their market-oriented nature, adult education institutions must constantly adapt their programs to meet the changing interests of an unstable voluntary population.[16] Thus, the adult schools and the community colleges were faced with the task of identifying territorial boundaries, their own and those of others, which were constantly in flux.

The perceived threat of territorial invasion and the fear that enrollments might be lost to the other (and not actual damage from competition, of which there was little) gave rise to friction between the adult schools and the community colleges. For example, the adult schools in Area "A" which "redlined" all proposed off-campus community college classes, even in geographic and subject areas where they were not holding classes and had no authority to do so, feared that unless they redlined the courses the community college would gradually move into their own areas as well. Similarly, to protect their potential interests (but also to expand the boundaires of their territories), institutions at times demanded that others "get out of their area" even when they themselves could not or would not provide the programs being offered. Advertising campaigns and mass mailings, undertaken by institutions, also increased others' awareness of overlaps and sense of threat.

Because there was more overlap among adult schools than between adult schools and community colleges, one might have expected greater conflict among the adult schools than between the two sectors. This did not occur. Although there was some competition and conflict among the adult schools, hostility toward a common "foe," the community college, united the adult schools. Because adult school administrators shared similar career backgrounds and faced similar "unfair community college advantages"--the college's greater prestige, its higher per-student state subsidy, and higher salary level for instructors, its larger taxation base--they formed a more or less cohesive front "to keep the wolves out." Also, in some areas, conflict among adult schools was lessened by geographic distance between them.

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[15] A. Downs, *Inside Bureaucracy* (Boston, Mass.: Little, Brown & Co., 1967), p. 215.

[16] B. Clark, *Adult Education in Transition: A Study of Institutional Insecurity* (Berkeley, Calif.: University of California Press, 1956).

By contrast, between the adult schools and the community college, the distrust and misunderstanding of dissimilar institutions added to the conflict already generated by the overlap between them. As one adult school administrator remarked, "we tend to ascribe the attributes we fear to [the different sector]." While each side accused the other of the same unworthy motives for expanding adult programs--in particular, of being in the adult field "only for the money" or to keep from firing unneeded teachers by transferring them to expanded adult programs--most claimed their own institutions were motivated primarily by a commitment to serve the community better.

In addition, conflict was greater between the different sectors because each type of institution tended on the whole to recruit staff from somewhat different backgrounds, to socialize them toward different norms, and to develop different organizational loyalties.

Needs, Rewards, and Commitments

The self-interests of institutions and their administrators prompted many not only to defend against feared intrusions by others, but also to expand their adult programs and enrollments. By themselves, program and enrollment expansions did not bring about greater conflict between sectors, so long as others perceived institutional expansions as just adding "more of the same" enrollments in areas already agreed to "belong" to the institutions. But, because of the ambiguity of what an adult program was, the more institutions expanded adult enrollments and developed new programs for them, the more likely they were to be perceived by others as intruding on the others' territories. In the 1970s, fiscal incentives, dependence on adult enrollments to maintain budget and staff levels, and institutional commitments to meet community demands appear to have increased conflict in many (but not in all) areas of the state.

Self-interest also prompted some administrators to deliberately enter what had been another's turf or to lay claim to exclusive rights for a field. When asked why both sectors should not continue to offer adult education programs since enrollments in both were expanding, one administrator replied, "We're a little greedy--we want to do it all." By gaining a monopoly over adult offerings, these institutions hoped to increase their total revenues above what they could get when both sectors were offering adult programs.

By contrast, there were few rewards for institutions to coordinate their adult programs with others. Coordination among institutions might have reduced the psychic discomforts of conflict and might have produced more and better service to the adult clientele (and the institutions did claim a commitment to serving adults), but cooperative ventures required human energy. Since economies of scale were rarely involved in the adult education programs, there were neither financial nor organizational incentives for institutional cooperation.

Why Conflict Levels Differed

The level of conflict differed considerably among the three areas. The highest level of conflict was in Area "A," where there was outright hostility between the sides as exemplified by the school districts' refusal to rent school facilities to the college, and the schools' resort to external powers (state legislators). Conflict was at an intermediate level in Area "B," where the schools also refused to rent their facilities to the college or else charged it exorbitant rates but did not go to outside forces for help. Rather (largely because of the college board's actions) efforts to reach a new balance of functions between the college and the schools were made. The lowest level of conflict of the three areas was in Area "C," where verbal agreements on who offered what courses had been reached and, by and large, were maintained. There were frictions between the parties in Area "C," but there was also a readiness to compromise.[17]

Differences in conflict levels in the cases studied were due in large part to idiosyncratic local factors such as the attitudes of local board members and the personalities of local administrators. However, some non-idiosyncratic factors substantially affected conflict levels, the most important of which were whether or not the community college had been part of a school district, and which institution currently provided more adult education programs. No single set of factors accounted for conflict levels. The extent of conflict in each area was determined by a combination of factors which differed from area to area.

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[17] J. G. March and H. A. Simon, *Organizations* (New York: John Wiley, 1958), pp. 129-30. In general terms, Area "A" might be characterized as a "political" conflict, Area "B" as a "bargaining" conflict, and Area "C" as a situation where "persuasion" is used. According to March and Simon, in the strategy of "*politics*," persistent differences in goals are assumed and at least one of the parties deliberately expands the arena of conflict so as to enlist the aid of outside forces, such as government arbitrators. In the strategy of "*bargaining*," which also assumes persistent differences in goals, a compromise is sought through the use of threats, falsification of position, concessions, and general gamesmanship. In the strategy of "*persuasion*," it is assumed that the agents have common deep-level goals and that disagreement over subgoals can be mediated by reference to common objectives.

Uncertain Relationships

The degree of uncertainty about the other sector's future plans was the most immediate factor affecting the level of conflict in an area. The perceived breakdown of "agreements" about the division of programs between sectors, caused by change or perceived change in institutions' patterns of service to adults (as in Areas "A" and "B"), increased the level of uncertainty and thus the tensions and conflicts between the institutions.

Largely because hostility and fears were strongly influenced by uncertainty, the level of conflict in an area did not remain stable. In Area "A," the level of conflict and hostility was greatest in 1974, before the community college had actually instituted many adult programs, but when the adult schools were most in doubt about the extent of the college's planned move into adult education. Once the limited extent of the college's intended move became clearer, the extent of suspicion and efforts to eliminate the other party decreased.[18]

Local Board Attitudes Toward Adult Education

When they acted as restraining influences on the scope and size of adult programs in one or both sectors, local school and community college boards had considerable influence on the level of conflict between sectors. In some cases, because local boards ascribed a relatively low value to the provision of services to adults, they reduced the expansion of adult programs in their institutions and so reduced potential conflicts over turf. In Area "C," for example, according to a college administrator, the community college board took the position that non-credit adult education was not the function of the college. This position kept the college out of most of the adult area. In Area "B," the community college board's decision to pull the college out of certain adult programs left the offering of these programs to the adult schools and so, again, reduced the area of conflict between the two sectors.

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[18] In fact, because the level of conflict in an area does not remain constant, the judgments of the experts used to select the cases turned out to be inaccurate. On the basis of experts' descriptions, Area "B" was originally selected to be the "most cooperative" of the three areas, while Area "C" was expected to show an intermediate level of inter-institutional conflict. Because conflict is subjective, the level of conflict can be intensified by a particular incident whose significance--and impact--may fade in a month.

Personalities

Among the most important factors affecting differences in conflict levels were what appeared to be largely fortuitous differences in the personalities and commitments of the individuals administering adult programs in the different regions. Thus, one adult school administrator in a low-conflict area argued that most of the adult program administrators in his area were "passive, they're not aggressive, they're not really committed to the concept of adult education--so they're willing to compromise." By contrast, administrators in Area "A," particularly those in the adult schools, described themselves and were described by others as highly aggressive "empire-builders" and entrepreneurs. The more aggressive and committed adult program directors were, the more likely they were to seek to expand their program areas and therefore to run into conflict with other directors.

College Origins

The origins of the local community college (that is, whether it was originally part of the school districts or was established as a separate entity) affected the clarity of division of adult functions between the two sectors and how well agreements between the two were holding. Where the community college was originally integrated into the school district and had separated from it only in the 1960s, non-credit adult education functions tended to be handled almost entirely by the school district's adult schools. This was true in Area "C" and in several other areas in the state where mutual agreements that adult education remain with the school districts had been established at the time of the colleges' separation from the school districts. Because these agreements had been reached recently enough for the staff of the institutions to have personally participated in them, the agreements seemed to be holding, by and large. By contrast, where the community colleges had been separate from the school districts for several decades, explicit agreements on divisions of adult services either had never been reached (as in Area "B") or began to break down over time (as in Area "A").

Which Sector Offers Adult Education

Another factor which appears to have affected the level of interinstitutional conflict was which sector had assumed the major role in providing non-credit adult education. Where the adult schools had been given or had assumed the major role, agreements between the sectors were holding better because the community colleges were less dependent on adult education enrollments than the adult schools and were more hesitant to upset relations over adult education. For the community colleges, adult education programs were the source of, at most, a very small part of community college enrollments. Explained a college administrator in Area "C," "because we're not dependent on adult education, we're not fighting very hard. Our bread and butter is credit classes--grades 13 and 14, and our enrollments have held up very well." Moreover, some community colleges (or at least their boards) were ambivalent about performing adult education functions. By contrast, in several areas where the community college had either been accorded or had assumed sole authority to offer adult education, the school districts had begun to challenge that arrangement, as incentives and needs for entering the adult field developed.

On the other hand, where the community college did challenge adult school monopoly over adult education, as in Area "A," one would expect the resulting tensions to be greater than where the adult schools were the challengers. Because the adult schools were totally dependent on adult enrollments, the adult schools had more to fear from an invasion of territory than the community colleges, and were therefore more aggressive in defending (and expanding) their domain. For the adult schools, provision of adult education programs comprised their sole function--but it was a function which, under the ambiguous Education Code, could be largely duplicated by the community college. The threat of adult enrollment losses was also of concern to those school districts which (at least prior to S.B. 1641) depended on low-cost adult enrollments to maintain staff and budget levels in the face of declining enrollments and rising costs. The director of one of the largest adult schools in the state argued, " . . . the financial well-being of our district relies on my ability in turfmanship to defend Adult Education programs in the district. Without the revenue from the adult program, the district could not meet our monthly budget . . . It's survival."[19]

Enrollment Changes

Decline of regular enrollments was not a major factor affecting differences in the levels of conflict, even though such enrollment declines had occurred in a number of the school districts. Declining regular enrollments may prompt districts or institutions to seek out new state-supported adult enrollments to keep on current personnel and pay for fixed operating costs. But, as already noted, adult enrollment growth increases inter-institutional conflict only when it creates perceived changes in the division of functions.

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[19] California State Legislature, *Adult Education Funding*. Hearing before the Committee on the Implementation of Career Education. (Sacramento, Calif.: April 1975).

In Area "C," the largest school district had experienced some slight decline in K-12 enrollments--yet Area "C" had the least conflict of the three areas, and factors other than enrollment decline were probably responsible for much of the adult school's expansion. In Area "B," one school district had purportedly started up adult education classes to make up for the drop in regular school enrollments, yet conflict was as high or higher between the community college and those school districts in Area "B" where enrollments were still growing. In Area "A," most of the school districts had suffered enrollment declines, and these declines put pressure on the adult schools to expand adult enrollments--and defend them from community college takeovers. But conflict was increased only when the community college did enter the adult field--mostly for reasons other than enrollment concerns.

Nevertheless, we suspect that enrollment decline may be affecting conflict levels in some areas of the state which were not examined, particularly where a sector with declining regular enrollments has not been previously involved in the adult field. In areas where the school districts have been excluded from adult education, for example, declining regular enrollments appear to have prompted some of them to initiate adult classes--breaking past agreements and so contributing to inter-institutional conflict. Moreover, enrollment decline may have a greater influence on conflict levels in the future if community college enrollments decline (as they have done in some community colleges this year) and if such declines encourage the colleges to enter adult areas formerly avoided. On the other hand, recent state legislation has removed some of the fiscal incentive (and need) for districts to use adult enrollments to maintain current budget levels.

State Legislation

State fiscal incentives to expand adult enrollment (such as those provided by S.B. 90 and S.B. 6) by themselves were insufficient to bring about increased conflict. However, when the restraining influences of negative board attitude toward adult education and recent agreement on division of functions were absent, fiscal incentives had a very large impact on the intensification of conflict. In Area "A," for example, the fiscal incentives provided by S.B. 6 appeared to be a major reason why the community college started an adult education program and, by doing so, came into conflict with the established adult schools. The same appears to be true for several school districts in Area "B." On the other hand, that same fiscal incentive did not prompt the community college in Area "C" to initiate non-credit adult classes.

State legislation partly intended to reduce conflict and perceived duplication among institutions--A.B. 1821 and S.B. 1641--has had very limited success in doing so to date. A final verdict on the legislation's effectiveness cannot be made yet because the bills have only recently gone into effect, but it seems unlikely that they will have a sizable or uniform impact on levels of conflict between education sectors, especially since the impact of state legislation is so dependent on a number of intervening variables.

The effectiveness of state legislation in reducing conflict depends especially on how local boards choose to interpret and act on that legislation. For example. S.B. 1641 prompted some school boards to set low revenue limits for adult enrollments. Thus, in these areas expansion of adult programs--and therefore the possibility of new incursions into what the community college sees as its turf--became less likely. But where the school boards supported the concept of adult education, they set what the adult school administrators considered "quite adequate" revenue levels. In fact, they saw it as a signal to expand programs which had been hurt by the "cap."

In areas with open communication channels and a willingness to compromise, A.B. 1821 may lessen inter-institutional conflicts over turf by bringing about a clearer separation of functions. In these areas it may induce institutions to scuttle plans for apparently duplicate programs prior to A.B. 1821 council review. But where antagonism and mistrust are already high, most participants believe that the A.B. 1821 councils will be unable to reach agreement over delineation of function. In these locales, a stalemate is likely to result, with decisions on required programs passed up to state authorities. Ironically, by forcing institutions to openly agree on the "appropriate" assignment of specific courses, A.B. 1821 may increase the visibility of formerly covert frictions and impede later maneuverability in coping with problems.

Political compromises have also weakened the legislation's potential impact on conflict and duplication between education sectors. For example, during the political bargaining which resulted in S.B. 1641, penalties on institutional expansion of adult enrollments were considerably reduced. Also, A.B. 1821 and S.B. 1641 largely left existing programs and enrollments--and conflicts--as they were. The state bills were directed mostly at new programs and enrollments added to the present levels.

The frequent changing of state legislation--and the expectation of change--also weakened the impact of state policy intent on institutions. The "cap" might have had greater effect on institutions had it remained in force for more than one year. For the year it operated, however, most institutions were able (and indeed were forced by its late enactment) to maintain their programs without extensive change. Institutional administrators have become cynical about any long-standing state policy. One community college president said, "When S.B. 6 was instituted, we thought it would last 25 years; two years later, everything was changed. There's no state policy."

On the other hand, there are some non-legislative state-level forces which may help reduce conflict between education sectors. Under impetus from the governor and from board members recently appointed by him, the statewide coordinating board for all California community colleges may develop stricter standards for approval of college credit courses which should lessen adult school charges that college credit courses are no different than the non-credit classes they offer. The governor has also put public opinion pressures on local school and community college boards to reduce "frill" type adult classes.

THE RELATIONSHIP BETWEEN COMPETITION/ CONFLICT AND PATTERN OF SERVICE

Presumed "competition" between institutions with overlapping programs had little apparent effect on the institutions or on who was served or what was offered in classes for adults. Even though they were usually aware of the kinds of programs being offered by others, the institutions tended to develop their programs largely in isolation, irrespective of what any other institution in the area was offering. Each conducted its own informal and isolated "surveys" (or more often, counted up the demands of vocal individuals) in determining what "the community" wanted. Most adult education administrators said that they did not modify their course offerings as a result of other institutions' starting up similar programs. Even fear and uncertainties of potential competition rarely induced institutions to change their programs or recruitment procedures, but most often simply prompted them to demand that others "get out" of the field.

Since demand for adult-oriented educational services appeared to rise as fast or faster than institutions expanded to meet it, administrators could generally afford to ignore what other institutions offered. The majority of classes filled up. There were exceptions, of course, since ultimately the adult student market is limited by adults' ability to pursue learning activities and interest in doing so. Where distances were fairly large and the population relatively small, as in Area "B," the addition of a competing class in another locale sometimes resulted in two half-filled classes and the cancellation of both, some Area "B" respondents claimed. By and large, however, programs were not greatly harmed by "competition." Enrollments in an institution might have grown still more if others had not been offering similar programs, but they seldom shrank because of others' programs.

Data on the socio-economic characteristics of those in the adult programs were absent. However, from fragmentary surveys and the perceptions of administrators, we tentatively conclude that the adult programs, whether or not they had competitors, generally drew students who were disproportionately white, middle-class, female, and more highly educated than the general population.[20] Because adult education is highly market-oriented, courses tended to be developed to meet the demands of the most vocal and articulate who were generally also the relatively advantaged. Because the untapped pool of adults was large, administrators were not compelled to recruit new and harder-to-reach groups. Thus, the educationally and economically disadvantaged were under-represented, as they are throughout the educational system. The administrators argued, "We've tried--all sorts of ways--but we just can't bring in [larger numbers of minority-group adults]"; "they have a negative stereotype of school--they just won't come"; "it's just not profitable" to try to recruit hard-to-reach groups; "it's *not* the structure that makes the difference."

Most institutions providing adult education offered courses in physical fitness, typing, and other business subjects, and perhaps conversational language classes--because these were classes for which a continual demand was discernible. Also, there undoubtedly was *some* imitation of other institutions' "successful" programs (as some administrators charged). One institution's success in starting up classes for senior citizens, for example, appeared to prompt others to try similar courses. On the other hand, there were too few short-term vocational training programs, according to some adult educators--perhaps because such programs tended to be relatively expensive. Given many still have not completed high school, there also appeared to be too few adult basic education classes. In some places, the number of adult basic education classes had grown comparatively little, while those in more "popular" subjects had expanded rapidly.

Nevertheless, although competition *per se* appeared to have little effect on diversity among adult programs and students, the mere presence of several providers of adult programs appeared to increase the chance that programs would differ, that the range of students attracted would be somewhat wider, and that the total number of adults enrolled in classes would be larger. There were some differences in types of programs offered. There were also differences in the nature of students enrolled by different institutions in the same geographic area, not because of conscious and deliberate institutional efforts to develop programs or recruit students different from those in other institutions, but largely because of the particular concerns of particular administrators and local boards. The more institutions providing adult services there were, the more likely it was that there would be administrators and local boards with differing concerns and approaches to the education of adults. In one institution, an administrator's commitment to adult basic education led to a heavy emphasis on such courses, while another's interest in vocational programs brought about an emphasis in that area. On the other hand, where only one institution or sector offered adult programs, or where responsibility for adult offerings was sharply differentiated, disinterest in offering certain programs by the sole institution and board given the authority to do so probably ensured that those programs would not be provided at all. In Area "C," for example, community college administrators indicated they would be very hesitant in the future to offer non-credit classes for senior citizens (the agreed-upon responsibility of the adult schools), even if the adult schools were uninterested in offering such classes.

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[20] J B L. Hefferlin, R.E. Peterson, and P.J. Roelfs, *California's Need for Postsecondary Alternatives*, First Technical Report, Part 1 (Sacramento, Calif.: California Legislature, 1975). A survey of a sample of California adults, conducted for the California Legislature, found that "part-time learners" participating in any kind of education "beyond high school" (in adult schools, colleges or universities or in non-educational organizations and nonformal programs) were disproportionately younger, white, in white-collar occupations, relatively well-educated, and economically well-off. See also A. Carp, R.E. Peterson and P.J. Roelfs, "Adult Learning Interests and Experiences," in *Planning Non-Traditional Programs*, ed. by K.P. Cross, J. Valley and Associates (San Francisco, Calif.: Jossey-Bass, 1974), pp. 11-52, and I.E. Oakes, *Participation in Adult Education: Final Report 1972* (Washington, D.C.: U.S. National Center for Educational Statistics, 1976. Studies conducted by the Educational Testing Service and the U.S. National Center for Educational Statistics on national samples of adult students similarly found a disproportionate number of the relative advantaged.

Even when quite similar programs are offered by the community college and the adult schools, it is likely that community colleges attract a somewhat different clientele than the adult schools. A national study found that when individuals used educational institutions for adult learning, they tended to take classes in institutions at the next educational level above that which they had attained in formal schooling--most often in public high schools for those with less than a high school diploma, and in community colleges (or other higher education institutions) for those with at least a high school diploma.[21]

The more alternative adult programs there were, the larger the total number of adult enrollments (and thus the greater the state and local costs for adult programs) appeared to be. This was so because even slightly different emphasis or times or locations permitted a greater saturation of a ready market.

Finally, if by "unnecessary duplication" we mean half-filled classes and therefore reduced efficiency of operation, there was little of it. Most classes did fill and where they did not, they were usually cancelled. On the other hand (as the adult schools frequently argued) having both community college and adult schools operate presumably identical classes may have resulted in "unnecessary costs" to the state and local taxpayers, since the community colleges tended to have higher salary costs. Whether two classes in fact were identical or differed in level, quality, or on other criteria (as the community colleges argued) was impossible for us to determine.

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[21] Carp *et al.*, "Adult Learning Interests and Experiences," p. 41.

CONCLUSION

In the United States, the expansion of schooling services is no longer viewed by policymakers as automatically in the public interest. The disenchantment with education arises both from its rapidly excalating costs and from new doubts about the efficacy of schooling in promoting either individual mobility or social progress.

Public officials at all levels are now keenly interested in promoting "efficiency" in education. The possibility that educational institutions are unnecessarily duplicating services and hence wasting money makes these institutions tempting targets for inquiry and reform. On the other hand, some would caution that an unrestrained campaign against institutional competition in education will chill institutional creativity or prevent institutions from reaching the poor and disadvantaged populations who have benefited least from past education experiences.

Based on our limited study in California, we offer four observations relevant to these concerns. First, the California legislature responded to the existence of conflict among institutions on the grounds that the presence of conflict between high schools and community colleges was a sign that unnecessary program duplications exist. Yet, our study indicates that the phenomenon of conflict is largely unrelated to the presence of program overlap or to competition for a limited market. Conflict is primarily caused by anticipated attempts by one level of educational institutions to infringe upon the turf of another level.[22]

Second, there does not appear to be an adequate basis for determining program overlap between institutions. At present, the degree of overlap can be gauged only impressionistically. A judgment about overlap among courses must be based on a precise knowledge of both the content of each course and the level of sophistication at which the course content is taught. The means of comparing these two elements among various courses is not currently established.

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[22] Declining enrollments play a modest and secondary role in fostering either competition or conflict. Past patterns of institutional cooperation, the nature of fiscal incentives, policies adopted by local boards, the degree of entrepreneurial zeal of local administrators all seem equally if not more important than declining enrollment.

Third, it is by no means clear that institutional competition fosters creativity or stimulates outreach to previously unserved populations. Information about the characteristics of populations served by competing adult education programs is virtually non-existent in California. Planning and course development occur in each institution largely oblivious of similar processes in other districts and colleges. As long as "easy-to-reach" populations fill up new classes, there is no incentive to serve "hard-to-reach" populations.

Fourth, in the last five years state policy in adult education for California has relied on: (a) fiscal devises designed to limit accelerating costs; and (b) the creation of new regional councils with the hope that such councils would succeed in eliminating duplicative courses and in delineating functions between adult schools and community colleges. It is too soon to adequately assess the effects of either the new fiscal formulas or the councils.[23]

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[23] It can be reported that first reports on fall 1976 community college A.D.A. indicates a drop of 6 percent on a statewide basis. However, the termination of certain veterans benefits may be playing the central role in causing this enrollment shift.

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PERSPECTIVES ON POLICY

Susan Abramowitz
Stuart Rosenfeld

The preceding papers have attempted to bring the problem of declining/shifting enrollment into focus. Demographic predictions indicate that decreasing enrollments for elementary schools will be with us until the mid-1980s and for secondary schools into the 1990s. Enrollment at institutions of higher education will also decline significantly during this same period, and only those colleges and universities with foresight and flexibility are likely to weather decline unscathed.

Just as decline affects parts of the education sector differentially, it is more prevelant in certain regions of the country and types of communities. A summary review of state policy suggests that although many states have decided to subsidize declining enrollment districts by altering their school finance mechanisms, they have yet to deal with the sticky problem of trying to determine whether all declining enrollment districts *deserve* special treatment. In fact, a recent study sponsored by the Office of Education (OE) of the ten districts in each state with the greatest absolute and relative decline suggests that these districts do not, on the average, suffer financially as compared to other districts (see Table 3).

Although the national averages hide tremendous variations both within the data and among states, some districts clearly have not experienced as much financial hardship as was originally predicted. Similarly, communities are reacting differently to the problems of decline. Thus, East Meadow, Long Island, went through a crisis because of dissension over school closings; yet reports from Seattle about school closings have been reassuringly positive.[1] What is one to make of this *pot pourri?*

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[1] Nancy Burton, Donald Eisman, Alice Woldt, *Schools & Neighborhoods Research Study*, National Institute of Education Project No. NIE-G-75-0076, December, 1976

TABLE 3

NATIONAL SURVEY OF FINANCIAL CHANGES IN SCHOOL DISTRICTS WITH HIGHEST ENROLLMENT DECLINES, 1971-75

Increases in Average District Amounts	High "Number Decline" Districts*		High "Percentage Decline" Districts**		All Districts	
District Revenues	34%	(22%)	25%	(22%)	32%	(21%)
State Aid to Districts	50	(68)	37	(71)	44	(60)
Locally Raised Revenues	28	(62)	23	(53)	27	(55)
District Tax Bases	23	(21)	20	(22)	24	(22)
Locally Raised Revenue per Dollar of Tax Base	3	(60)	8	(48)	2	(48)
Increases in Average Per Pupil Amounts						
District Revenues	56%	(25%)	54%	(26%)	52%	(22%)
State Aid to Districts	74	(80)	67	(85)	66	(69)
Locally Raised Revenues	48	(71)	51	(62)	47	(63)
District Tax Bases	44	(27)	49	(31)	44	(28)

*Responding districts with the largest decline in the *numbers* of pupils attending school.
**Responding districts with the largest *percentage* decline in pupils attending school.

NOTE: Standard deviations are in parentheses.

SOURCE: Robert J. Dunkelmayer and John J. Hudden, "Declining Enrollments: A Survey of the States and Selected School Districts" (Syracuse, N.Y.: Syracuse Research Corporation, 1977).

School districts are clearly on the horns of a dilemma. Fewer students are being served, yet pupil costs are increasing because of student losses and because of a number of other factors such as requirements to implement state and federal mandated programs, obligations incurred by collective bargaining, rising energy costs, and inflation.

Why, then, are revenue and expenditure problems less than expected? On the one hand, some state aid mechanisms compensate for pupil loss by such devices as corrections for inflation, and sparsity, or municipal overburden factors which soften the financial blow. Alternatively, the lessened impact may be a function of district response. Fixed costs prevent districts from cutting expenses precipitously. Enrollment has to decline markedly before even one teacher slot can be cut. This lag in fiscal response tends to produce a continuing per pupil escalation in costs. Delays in cutting a budget can often result in an unanticipated residual supply of tax monies.[2] Thus, it appears that there will be certain predictable short- and long-term responses to decline which differ substantially in degree and kind for various types of districts.[3]

Policymakers, searching for solutions, have to weigh where in the retrenchment cycle a district is and what type of district it is to choose the most appropriate response. In addition to these considerations, a policymaker has to ask: "If the demand for education is decreasing, ought we not be spending less to buy it?" When the output of an industry decreases, the industry's total expenses should decrease unless the product's quality increases. Absent a proven relationship between resources and productivity gains, a convincing argument can be made that education, as it serves fewer people, should gradually be costing the taxpayer less and less.

A few statistics illustrate how bounteous the education fount has been. From 1960 to 1970, educational expenditures for public schools increased from $16 to $41 billion, a 112 percent increase in real dollars.[4] During the same time period, elementary and secondary education's share of the GNP increased 27 percent over what was spent in 1960. And yet for the past five years, the litany of complaints about the quality of education has increased. Test scores are decreasing, students are graduating from high school illiterate, and discipline, violence, and absenteeism, especially in our urban schools, is more of a problem than ever. Since more money does not seem to have improved the quality of educational outputs, adding resources to education during a period of retrenchment should be treated with a healthy skepticism.

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[2] Sol Levin, ed., *When Enrollment Declines, Craft Leadership Action Folio 84* (Waterford, Conn.: Craft Educational Services, 1975).

[3] Jay C. Chambers and Guilbert C. Hentschke, "The Impact of Declining Enrollments on Costs of Education and the Level of School District Expenditures: An Analysis of School Decisionmaking in the Face of Declining Enrollments" (San Francisco, Calif.: American Education Research Association, April 1976).

[4] *The Condition of Education,* National Center for Education Statistics (Washington, D.C.: GPO, 1976) p. 189.

There is, however, an argument to be made for some midpoint along the expenditure spectrum, because school systems in fact do require substantial funding just to be able to "hold their own". Declining enrollments would not have been so serious in the absence of an economic recession and the energy crisis. Not only are school costs increasing, it takes time for school systems to realize any savings resulting from decline; i.e., to lose enough students in the right places, to cut a teaching slot, to drop a program or to close a building and be able to reallocate resources.

Policymakers may well decide to provide transition support in the belief that this will facilitate orderly belt-tightening, but they must also realize this support comes at the expense of such other options as some measure of property tax relief, or the transfer of education dollars to other public sector needs. These options should be kept in mind as we review the policy suggestions proposed by our contributors, for by and large, the position of the papers, shared by most articles on the subject, has been more on the side of increased support for education than the demoting of schools in the hierarchy of "needs" and "wants". If the former strategy is chosen, then what follows is a series of useful suggestions about how support might be best directed. If a harsher solution is preferred, what follows has less relevance.

POLICY SUGGESTIONS

The authors offer a number of concrete solutions designed to soften the impact of decline. In some instances, they even suggest that there could be positive outcomes. All agree that a coordinated federal, state, and local effort is needed to avoid a serious disruption of schooling. Simplistic, conventional answers--reductions-in-force, consolidation, school closings, and program reduction--are disruptions to both schools and communities alike. There is general agreement that they can, at best, be only a part of a viable long-term solution. What, then, can be done to prevent panic in the streets (or corridors) of communities experiencing heavy out-migration and declining birth rates?

Over the next few pages we pull together some of the most promising suggestions and summarize them according to the locus of action required. Different perspectives set the stage for different policies at each level of governance--federal, state, and local. The federal policies are directed primarily at research and support, the state policies at financial aid and technical assistance, and the local policies at budgets, staffing problems, and facilities utilization. If successfully implemented, it may even be possible for the student to derive some benefit from the upheaval associated with declining enrollments.

Local Policies

Local policy prescriptions are easier to make than to apply. There is a general consensus among our contributors that the following strategies would ease the pains of retrenchment:

- New and improved management practices

- Vertical and horizontal diversification

- Flexible personnel policies

Yet it is becoming increasingly clear that we cannot generalize these strategies either individually or *en toto*. Because what works where and how is subject to local conditions, we merely recount the authors' policy recommendations without assigning a value or preference to any of them. More than likely, the success of any single strategy depends on timing, agility, and luck.

New and Improved Management Techniques

Decline is bad enough, but its adverse effects are compounded by the unfamiliarity Americans in general and the education industry in particular have had with it.[5] Most of the United States' experience up to now has been with growth. During periods of growth there is ample slack within the system. People can make mistakes, the consequences of which may be relatively minor or even go unnoticed. During decline, the margin for error is reduced. The problem is exacerbated because those responsible for managing decline are those least able to do so--senior managers and administrators jealously guarding their positions and prestige, in the face of an oversupply of younger applicants.[6]

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[5] Kenneth E. Boulding, "The Management of Decline," *Change*, vol. 7, no. 5 (June 1975), pp. 8-9.

A school closing scenario illustrates the special skills and considerations necessary to manage a declining enrollment situation. Because closing a school is politically explosive, it is usually a solution of last resort. Administrators and board members believe that one less school will relieve financial and space pressures, although they know that other problems soon arise. Usually the decision process is fraught with political battles centering around preserving the "neighborhood" school. Yet when communities consider closing a school, they seldom take into consideration such nonschool criteria as the impact on the neighborhood. The solution to the problem may entail consequences which are often not considered in decisionmaking. Furthermore, even if all the consequences are foreseen, administrators are likely to employ short-term solutions rather than developing long-term planning strategies. For example, elementary school enrollments are projected to rebound in the early 1980s. Communities which sold schools to offset financial problems during the current period may face the prospect of buying back or building new schools a decade later. Such predicaments require a new set of skills, perhaps not yet identified.

Some effort has to be made to enable local administrators and managers to share those strategies which work and those that don't. Among the needed skills will be the development of new budgetary practices that enable managers to assess the trade-offs entailed in any set of decisions. While it was common practice during periods of growth to add components or increase the budget across the board, it will be tempting to excise program components and cut the budget across the board during this period of decline. These techniques, unless exercised with great care, may result in serious and unforeseen downstream consequences. Once components are cut, for example, new perceptions of what constitutes adequate education are formed making it difficult to bring them back.

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[6] Lewis B. Mayhew, *Educational Leadership and Declining Enrollments* (Berkeley, Calif.: McCutchen Publishing Corp., 1974).

Berman and McLaughlin (Chapter VIII) contend that the decades of the 1960s can teach managers of the 1970s a lesson. Districts, they suggest, should be able to manage the change required by enrollment decline much as they had to learn how to implement change during better times. Successful implementation of change, they believe, requires an understanding of how reform is adopted, implemented, and ultimately institutionalized. All three stages require sufficient community and staff participation to guarantee a long lasting base of support. Purely symbolic attempts at reform can be avoided by such strategies as staff development, the efficient use of specialists, and budgeting systems which provide options rather than ones which assume automatic and arbitrary cutbacks.

Another way in which school district planning might be much improved would be in better coordinating it with municipal planning and decisionmaking. As Bins and Townsel note, (Chapter IV) "the relative isolation of school district government and planning from the activities and planning of their municipalities has resulted in the duplication or mismatch of services, programs, decisions, and facilities in a number of areas; e.g., recreation, health care, transportation, continuing education, bi-cultural services, rezoning decisions, road improvement programs, and so on. If better coordination mechanisms and institutional management systems were implemented, city school systems for one would probably be better off."

Better coordination might improve the delivery of youth services in most communities. With the advent of the Youth Employment Development Act, many LEAs will have an opportunity to work with CETA "prime sponsors," resulting in the integration of education services, job training, and placement for the first time in many areas.

Vertical and Horizontal Diversification

Businesses respond to a decrease in demand for their products through horizontal or vertical diversification. That is, they either branch out into new fields or incorporate more and more components of the production process into their ongoing endeavors. The education industry could do much the same thing by improving conditions for their current students, expanding to serve new clienteles, and using existing buildings to house other community services.

One option is to increase demand for facilities. Empty or surplus space need not go unused. There are probably many programs within a school that could use some elbow room. Libraries can add on independent study areas; seminar and large-group space can be created; alternative programs can be more conveniently housed; vocational offerings expanded; and student lounges and activity offices created. Options like these enable the school to add a human touch and service orientation to what some consider a stark, factory-like environment.

Before boarding up a school, decisionmakers can consider leasing all or parts of a facility to such various groups as health clinics, manpower employment centers, day care centers, recreation and food services for senior citizens, and family counseling services. Not only will the school system earn income, it can often sell maintenance and custodial services to the leasors, thus keeping more if its staff employed. Furthermore, the neighboring community is bound to benefit from the influx of people and the continued use of the facility.[7]

A second option is to expand to serve new clientele. Although Zusman and Weiner (Chapter XI) found competition to be foreign to sectors of the education community serving the same students, it will probably become necessary for educators to be less complacent and adopt a more "entrepreneurial stance" if they want their services to encounter other than a sharply curtailed demand. There are two groups which have been virtually untapped by elementary/secondary education--adults and children under the age of five.

Schools have the opportuntiy to dispel the increasingly held opinion that they segregate students from the young and adults by allowing adults to take courses or by creating new courses for adults, such as leisure time courses, high school equivalency programs, and manpower training courses. All have the potential of bringing new clients into the school. Of course, it will be much easier for high schools to move in this direction because elementary school facilities are usually unsuited for adults.

On the other end of the age spectrum, schools could begin offering preschool services. In-school child care services have two strikes against them--they are usually more expensive than other modes of child care, and many parents prefer home care to institutional day care of any sort.[8] Yet, schools could probably initiate marketing surveys in their community to determine what preschool services might be desirable.

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[7] Facilities utilization may account for the lack of many significant findings from a study undertaken by the Seattle school district for NIE. Every school which the district closed was used by the community for non-educational purposes. See Nancy Burton, Donald Eisman & Alice Woldt, *Schools & Neighborhood Research Study*, December 1976).

[8] Meredith A. Larson, *Federal Policy for Preschool Services, Assumptions & Evidence* (Menlo Park, California: SRI, International, 1975).

Flexible Personnel Policies

The biggest problem posed by decline, with the exception of school closings, is staffing. Currently, most systems have not cut teacher slots because attrition is taking care of excess positions. But the time will probably come when districts will have little choice but to lay off some teachers. Such a decision is bound to wreak havoc among teachers and their unions. Charges about decreasing program quality will proliferate and labor-management disputes will likely escalate.

Unless communities are willing to pay a higher price for education, teachers will be facing job loss and curtailed employment opportunities. Our authors did suggest, however, several strategies districts could use to decrease the likelihood of teacher unemployment. For example, districts could offer teachers the prospect of early retirement or sabbaticals of as long as five years duration. Both allow older teachers to leave the system and enable younger teachers to replace them. Long-term sabbaticals allow teachers to try out another field with the guarantee of returning to the classroom should the alternative career path prove unsuccessful. School systems can also experiment with work-sharing programs in which two teachers share one position.

Given the lack of opportunity for new hires, an increasingly older group of teachers will be staffing schools, and schools may lose the leavening that younger and newer teachers provide. As Fishlow suggests (Chapter II) it will become increasingly important to establish meaningful in-service programs which can update teachers on new techniques in the field. Unfortunately, the reputation of in-service programs has not been good. Because this may be the only means to keep teachers and administrators up-to-date, new strategies will have to be developed to make in-service projects meaningful and to give faculty incentives to participate in them.

State Policy

The States can be characterized by a range of financial support systems and means of revenue distribution as well as varying degrees of research capabilities and different organizational strengths. Despite these differences, however, there are some common approaches and policies that States are or could be considering. The areas that our contributors uniformly found promising are:

- Reformulation of state aid policy to protect districts against sudden losses of state aid
- Improvement of forecasting methods to provide LEAs more lead time

- Technical assistance and dissemination of information regarding improved management practices and planning for fluctuating enrollments
- Provision of special services to local units and development of alternative means for the delivery of services
- Reshaping of teacher certification and personnel policies

State Aid

Partly as a result of their growing financial role in education, states have taken the most concrete actions to date to counter the effects of declining enrollments. Much of the panic in districts can be traced to fear of loss of the state's financial resources that most LEAs take for granted. Therefore, it was predictable that state agencies and legislators would aim first at "state" aid to ease the pressure.

The most frequently proposed solution has been the "hold harmless" clause which limits the loss of state aid to any single district because of declining enrollments. Not a "solution" in the strict sense, the "hold harmless" provision was actually in place in many states long before decline was recognized as a serious problem. It had been introduced into state aid reform bills to prevent losses to districts from redistricting and to secure the votes of legislators in districts threatened by loss of funds. Therefore, existing "hold harmless" laws, in some states, only incidentally offer protection to districts with falling enrollments. In other states, however, more specific measures have been initiated, such as the use of multi-year averages or prior year student counts, as the basis for distribution. Adjustments to state aid formulas were suggested in the chapters by Bins, Wilken and Callahan, and Leppert and Routh, with the latter describing the current state systems in detail. There was unanimity among the authors on the need for state aid protection if not on the means.

The degree of protection is, of course, dependent on how much the state is willing to invest. In some instances the protection is more symbolic than real. Most state aid "hold harmless" clauses are short-term solutions providing only temporary relief to diffuse the impact. Basing aid on a prior year count, a moving average, or guaranteeing a percentage of a prior year's aid only delays the eventual financial crunch. In addition, much of the aid can be devoured by inflation. Ensuring a fraction of the previous year's aid offers little solace if an increase is, in fact, required just to keep pace with rising costs.

It is evident that as long as state aid formulas are based on per pupil formulae, declining enrollments can create financial problems. Costs are *not* entirely variable, as many of the papers point out. The only long-term solutions are to create formulas that can simulate the real budget flexibility of the school or to offer program-based categorical aid. Unfortunately, the former would mean even more complex state aid systems than we already have and would be quite difficult to enact. The latter attaches "strings" to the money that interferes with local autonomy. The current strategy, then, is to continue to do what states have been doing--using compensatory means to buy school districts time to adjust to their reduced enrollments and revenues.

Forecasting

While the operational problems are ultimately felt within the schools, state education agencies have a unique vantage point to generate solutions. Several of the authors suggest that states improve their capability to analyze enrollment trends by projecting enrollments in a less aggregated fashion. National and even statewide projections do nothing for individual districts since they overlook the non-uniformity of enrollment decline. *Local* and *regional* situations have to be considered in predicting what is likely to happen to individual schools. Knowledge of economic conditions, migration patterns, and complex social or economic indicators can help districts plan ahead. In order to supply such information, states need to develop reliable data collection mechanisms. Local agencies have neither the means nor the sophistication to do this, and the federal government has neither the authorization nor the motivation.

Planning and Dissemination

Another general responsibility of state agencies is to offer technical assistance and disseminate information to local agencies--information not only on what is *likely* to occur, but on what can be *done* about it. States can increase LEA awareness and help districts build on the experiences of other LEAs. Educators in local districts--especially in rural areas--often feel isolated and out of touch with others in the profession and believe their situation is unique when, in fact, it is not. Too few networks for the sharing of information exist. SEAs, along with statewide professional organizations such as the

National School Boards Association, the National Association of State Boards of Education, and the unions can help by publishing information, holding seminars, running training programs, and offering workshops on topics related to the problems associated with decline.[9]

Some of the work needed is simply public relations. Because of the ethic of growth that has evolved, declining enrollments take a psychological toll on schools that exacerbates the financial problems. Citizens are less likely to approve legitimate budget increases or bond issues when enrollments are dropping. Keough (see Chapter IX) suggests that communities tend to perceive decline as indicative of community failure rather than as a growing demographic pattern resulting from shifting values.

The major thrust of the technical assistance, however, ought to be directed toward improving management practices. Management science and organizational behavior are disciplines that can be learned and applied to mitigate the effects of changing conditions.

In times past, as the papers repeatedly point out, management problems existed, but there was little need to take them seriously with expanding enrollments and growing resources. Choices among important alternatives were not difficult if by waiting a district could expect to eventually have each of them. State assistance was not needed and when offered was often rejected as interference. Under the crisis conditions that now exist in some communities, help is not only welcomed, but requested. As the constraints on resources have tightened, decisions about allocation of scarce resources become more and more important and more susceptible to already developed management decisionmaking methods and models. Budgets that previously resulted from standardized increases now require careful scrutiny and analysis. PERT, economic order models, distribution models, and simulation are all techniques designed to choose among alternatives.

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[9] Several associations have already published manuals on the problems of decline and ways of overcoming them. See for example: David H. Florio, *Declining Enrollments* (National School Boards Assocation), forthcoming; and Robert J. Goettel and Dana W. Paige, "A Report on Declining Enrollments," in *The Imperative of Leadership*, vol. 2, no. 1 (National Association of State Boards of Education, July 1976); *Declining Enrollment: What to Do*, American Association of School Administrators, 1974.

Special Services

State agencies can directly provide some of the specialized services that are most likely to be lost when budgets are chopped. Using techniques that have been developed for rural districts over the years, the state, through the state department of education or regional intermediate agencies, can serve the high cost-low demand needs of the handicapped, the disadvantaged, or the exceptional child when demand can't justify the high cost of these services.

The specialized services--whether basic or "frills"--that are the first to go in a financial crunch because of their limited appeal or limited clientele *can* be retained if the costs are shared. Often state or regional units are the most expedient way to do this. The experiences of rural areas can be utilized by larger districts now being forced into the same conditions that rural districts have been experiencing for years.

Staff Policies

Lastly, the states can contribute to developing more flexible staffing policies. While parents, taxpayers and students are only indirectly affected by changing enrollments, teachers and support staff feel the full force of its aftermath. A taxpayer may pay a few more dollars and a student may lose an elective, but the teacher stands to lose his or her job. And, as Rosenberg charged in Chapter X, the minority teacher or female administrator who, in most cases, has less seniority than her white male counterpart, is most likely to be let go. The state can intercede and develop new policies to protect both teachers and the affirmative action gains of recent years. Early retirement incentives, teacher job clearing houses, retraining of teachers for skills in demand, subsidies for teachers to go back for advanced education were all suggested by various authors.

Federal Policies

What can the federal government do to help LEAs and SEAs cope with the problem of decline? Even though most of the drama of retrenchment will be played out by local and state decisionmakers, the federal government has a role to play. First and foremost, the federal government has the perfect vantage point for conducting national research, evaluation, and development work. Only the Office of Education, the National Institute of Education, and the National Center of Education Statistics have a broad enough mandate and interest to survey the country for trends, techniques, and programs which can benefit practitioners from all parts of the country. Various authors suggest that it would be appropriate, then, for the federal government to provide staff development, as well as suggest technical assistance activities and research and dissemination projects.

Our contributors also suggested a range of research activities that the federal government might undertake. For ease of presentation, we have divided them into questions of finance and management.

Finance

As Leppert and Routh report (See Chapter V), many of the states have instituted various mechanisms to ameliorate the impact of decline. As yet, we know very little about the effectiveness of these revisions in the formulas and whether or not they provide the necessary aid across a range of states and districts with widely different needs and characteristics. These hold harmless clauses may be most effective in states with greater responsibility for supporting education; or they could penalize urban districts most. Research would suggest what the most likely effects are. More importantly, we have no idea how such legislative tinkering interacts with recent state attempts to distribute monies more equitably. Districts suffering decline may well be low-wealth districts. Any decline in students will result in higher average wealth *per pupil* and a concomitant reduction in state equalization aid, thus increasing the likelihood of offsetting state equity goals.

Research is also warranted into the fiscal and administrative costs of and responses to decline. Although adequate models may exist describing and modeling changes in the education sector during an era of growth, very little is known about organizational and fiscal responses to decline. Models of other industries may be inappropriate, but until education develops some of its own, these may be the only guide. Once such models are developed, they may enable policymakers to evaluate solutions as well as suggest where intervention might be most appropriate.

Management

It has become obvious that techniques used during periods of growth may fail administrators and teachers during periods of decline. Keough (See Chapter IX) calls for the development of a "science of contraction management" which would help to identify new management skills. Such science would also pinpoint what institutional characteristics and decisionmaking strategies best predict successful management of high enrollment loss or turbulent districts.

The politics of decline also bear careful study. As Berman and McLaughlin point out in Chapter VIII, research and case studies indicate that political and bureaucratic problems result when district decisions are made without practitioner and community input.[10] Yet there are many unanswered questions about participatory structures and what makes them ineffective. "How can meaningful arrangements be implemented?", "What is the relationship between participation and decisionmaking?". "What kinds of authority should be delegated,", "Who should participate and how should they be selected?" Some strategies may politicize the community excessively, while others may result in more effective (and peaceful) community involvement. Obviously a better understanding of this political process is necessary if communities are to be helped in weathering the turmoil of decline.

CONCLUSION

"Anything worth doing, is worth doing badly," said Kenneth Boulding in a 1977 address to the Council of Educational Facility Planners.[11] Speaking about his bent for watercolor painting, he mentioned that his son suggested lessons to improve his technique. Boulding responded that schooling would obviate his claim of being a naive painter. The moral he offered the audience was not that decline shouldn't be better managed, but that one should not be afraid to do a bad job of it. "Nothing succeeds like failure," he went on to explain, suggesting that managers pay equal attention to what works and what doesn't. This, he maintains, will be the most successful way for learning how to manage the uncharted voyages of decline.

Cohen and March in their book on the American university president strike much the same tone.[12] They maintain that there is nothing in the president's background which prepares him or her for the task. The president's conception of the job and estimation of what can be done are usually off the mark. Given this situation, they advise college presidents to be humble in their expectations and to become relaxed about what it is that they might actually accomplish. Such a stance would minimize frustration and guarantee greater satisfaction.

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[10] Katherine E. Eisenberger, "Closing a School: Some Ways to Ease the Trauma," *School Management*, August/September, 1975.

[11] Kenneth Boulding, "Coping with Decline," 54th Annual Conference of the Council of Educational Facility Planners, International, Seattle, Washington, October, 1977.

[12] M.D. Cohen and J.G. March, *Leadership and Ambiguity: The American College President*, Carnegie Commission on Higher Education, (New York: McGraw-Hill, 1974).

The retrenchment process that education is going through very well may result in a trial and error process. It is possible, moreover, that what works in one situation may well not apply in another. For the first time in the recent history of American education there may be no "One Best System."[13] There is another scenario with which schools could respond that some educators and social critics may find appealing. That is a shift toward pluralism and variety among schools.

Shifting enrollments are already forcing administrators to build flexibility into their programs and to react more quickly to change. The result may challenge the degree of standardization currently existing among schools. Changes in facilities utilization, in student groupings, and in delivery systems could provide a framework for subtle, nonthreatening innovations that might now even be cost-justified. School managers with budgets less dependent on precise enrollments would have less reason to oppose experiments such as vouchers or to fear competition from the private sector. Forced responses to shifting enrollments may well bring about some of the innovative experimentation that federal initiatives (and funds) failed to produce.[14]

Of course, some districts will react conservatively by eliminating what they consider frills, and cutting-back programs. But others will respond by finding more creative ways to maintain their ongoing programs and in these is the hope for the future. In the end, the most positive outcomes of today's administrative headache may be a new flexibility and openness in education.

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[13] David B. Tyack, *The One Best System,* (Cambridge, Massachusetts: Harvard University Press, 1974).

[14] Paul Berman and Milbrey Wallin McLaughlin, *Federal Programs Supporting Educational Change* (Santa Monica, California: The Rand Corporation, 1975).

APPENDIX

SELECTED ANNOTATED BIBLIOGRAPHY[1]

Andrews, Richard L., The Environmental Impact of School Closures, University of Washington, Seattle, 1974.

Based on a telephone survey of officials involved in facilities planning in those school districts originally sampled by Sargent and Handy (see below), this study attempts to determine: what criteria are used in school closure decisions, the methods for determining optimum school size, cost savings resulting from school closures, the disposition of closed school buildings, and the impact of elementary school closures on surrounding neighborhoods. Although the data are quite summary, several conclusions merit further investigation in a more detailed analysis. These include: 1) relatively few school districts used non-school related criteria, such as impact on neighborhoods, property values, or outmigration of young families in deciding which schools to close; 2) in those districts where the actual cost savings had been calculated, fewer dollars were saved than had been expected; and 3) closed schools affected the viability of the neighborhoods in which they were located--property values declined, crime increased, and support for public education diminished in these areas.

Arveson, Raymond G., Implications of Decreasing Student Enrollments, paper presented at the American Association of School Administrators Annual Convention, Atlantic City, February 22-26, 1974.

As superintendent of the Hayward, California Unified School District, Arveson has had to oversee the closure of four schools because of decreased enrollment. In this paper, he suggests how such closures, along with the accompanying reduction in staff, can best be implemented so as to avoid adverse reaction from the community.

Boulding, Kenneth E., "The Management of Decline," Change, Vol. 7, No. 5, June 1975, pp. 8-9. (Excerpted from a speech to the Regents Convocation of the University of the State of New York, Albany, September 20, 1974).

Boulding predicts that education is likely to be the first major sector of the economy to suffer a decline and the management of this decline may well set the tone for the management of a general slowdown in other aspects of social life. He points out that most of the United

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[1] Prepared by Lorraine McDonald, as an appendix to a paper by Berman and McLaughlin entitled: "The Management of Decline: Problems and Opportunities," Spring, 1976 funded by the National Institute of Education.

States' experience up to now has been with growth and Americans are, therefore, ill-equppped for the management of decline. Consequently, Boulding believes that one of education's first priorities should be development of a new generation of academic administrators who are skilled in adjusting to decline. However, before this can be done, much more needs to be known about the actual process of decline. Boulding suggests a study of declining sectors of the past, such as agriculture and the railroads, as one of the ways to understand better the process of decline.

Brunetti, Frank, "Enrollment Decline: Major Issues for 1975," CEFP Journal, Vol. 12, No. 4, July-August 1974, pp. 10-12.

This article summarizes the demographic, enrollment, and land use indicators which can be used by school districts in projecting the magnitude of forthcoming enrollment declines. Although the elements of a comprehensive planning process needed to cope with enrollment decline are also outlined, they are presented in a rather summary fashion with no detailed explanation or discussion.

Campbell, Alan K., The Politics and Economics of the Future Financing of Public Education, paper presented at the Institute for Chief State School Officers, Jackson Hole, Wyoming, 1974.

The author discusses a number of reasons why there is proportionately less money available for public education today than there was in the 1850s and 1960s, and why the political strength of public education is decreasing. Among the reasons he cites are: 1) due to a shift in the population, other groups such as the elderly are demanding social services which compete directly with education for resources; 2) public opinion polls since 1969 show a decline in support for public education among its traditionally strongest supporters, those of high education and socioeconomic status; and 3) school enrollment decline coincides with public discussion on research showing little relationship between spending for education and student achievement.

Carnegie Foundation for the Advancement of Teaching, More Than Survival: Prospects for Education in a Period of Uncertainty, Jossey-Bass, San Francisco, 1975.

This book is a summary of some forthcoming studies commissioned by the CarnegieCouncil on the decline in growth of higher education. Enrollment growth in higher education, which more than doubled in the 1960s, is now slowing down and is likely to reach a zero growth rate within a decade. One of the studies, based on a survey of more than 1,200 college presidents, was designed to find out how various types of institutions are responding to decline in enrollment. Many colleges and universities reported a change in their student-faculty ratio, in the quality and variety of programs offered, and in the types of students being admitted. Perhaps one of the most important findings was that declining rates of enrollment have caused authority to shift from lower to higher levels (e.g., from academic departments to campus administration and from campus to system board) and most college presidents expect that between now and 1980, authority will continue to shift in the same direction.

Cronin, Joseph M., "The Decline of the School as an American Priority," National Elementary Principal, Vol. 53, No. 4, May-June 1974, pp. 39-42.

The article is an exhortation to principals to be creative in coping not just with the effects of declining enrollments, but also with other societal trends such as the extensive use of educational television as an instructional aid for pre-schoolers and demands for an end to or modification of compulsory schoooling laws. The author calls for a leadership style with the capabilities to do more than merely administer a school--one which can develop educational programs that combine school, community life experience, and the use of the media.

Davis, Russell G. and Lewis, Gary M., The Demographic Background to Changing Enrollments and School Needs, a paper prepared for the Center for the Study of Public Policy and funded by the National Institute of Education, February 1976.

Included in this paper are enrollment projections through 1990 for K-postsecondary education as well as a discussion of the geographic and racial distribution of the school-age population during this time period. Except for the K-8 grades, enrollment will steadily decline. In K-8, however, enrollment will decrease until 1982 and then rise, but will not reach the enrollment peak of 1969. Central cities will lose enrollment at a faster rate than the national average and at the same time will experience an increasing concentration of non-white students.

The authors list several social and economic trends which coincide with enrollment decline and which can affect educational programs. For example, slowing economic growth may bring demands for job-related training rather than the expansion of general schooling and the increased participation of women in the work force will have implications both for the kind of schooling children receive and for when they receive it.

Decekber, Erwin, "The Shrinking Schools," California School Boards, Vol. 34, No. 2, February 1975, pp. 28-30, 32-33.

The author outlines the scope of enrollment decline in California and then argues for a change in those laws which constrain local school districts in their efforts to cope with decline. These laws include ones governing the bases for ADA and revenue limits, the dismissal of surplus teachers, and the use of teachers in areas other than the one in which they are credentialed.

Dinkelmeyer, Robert J. and John J. Hudder, Declining Enrollments: A Survey of the States and Selected School Districts, Syracuse Research Corporation, Syracuse, New York.

All fifty State Education Agencies (SEAs) and a sample of 500 local school districts (LEAs) were surveyed to determine the effect of declining enrollments. Ten LEAs were chosen from each state, five with the highest percent decline and 5 with the highest absolute decline. Responses from SEAs indicated that urban areas are the most likely to be suffering decline with rural localities a close second; that although SEAs are aware of the problem they have not developed many strategies to aid districts in coping with it except for providing consultants and altering state aid provisions. The LEAs report that from 1971-75 per pupil figures for district revenues, state aid, locally raised revenues and district tax bases have all increased on the average by about half. This was at the same time that enrollments on the average decreased by only 14 percent. Although these averages hide tremendous variation it is clear that districts in this sample have not been felled by the declining enrollment monster.

Erickson, Kai L., "Some Suggestions to Soften a Somber Economic Picture for Teachers," Phil Delta Kappan, Vol. 56, No. 7, March 1975, p. 473.

This article represents the viewpoint of the NEA in its suggestions for dealing with the current surplus of teachers. It advocates the extension of public education down to the pre-kindergarten level, smaller class size, and greater administrative efficiency through consolidation of school districts. Teachers are encouraged to achieve these goals through increased collective bargaining and political activity.

Fields, Edward E., "An Urban District Dilemma: Dwindling Enrollments, Growing Problems, Crisis, Conflict," paper presented at the American Association of School Administrators convention, Dallas, Texas, February 21-24, 1975.

This narrative by the Associate Superintendent of the Kansas City, Missouri school system illustrates the problems of district decline as they impact on urban areas. Out-migration from the central city by white families has meant that not only has the school population decreased, but also that it has become increasingly minority in its racial composition. Operating costs have increased, yet tax levies have become more difficult to pass. Another, often-neglected, aspect of school decline in urban areas is present in Kansas City. Urban renewal and freeway construction have greatly accelerated enrollment reductions and severely affected school district policy. Consequently, there is a need to interface city (municipal) and school district planning and decisionmaking functions.

Freeman, John and Hannan, Michael T., "Growth and Decline Processes in Organizations," American Sociological Review, Vol. 40, April 1975, pp. 215-228.

Using changes in the sizes of personnel categories in 823 California school districts as a data base, this article formulates and tests a model which distinguishes the effects of organizational growth and decline as they relate to various components of an organization. The authors found, using a set of regression equations to analyze the data, that growing and declining organizations will be similar in the relationship between the size of the direct (or production) component and the demand for organizational products or services. However, growing and declining organizations will differ in the relationship of the supportive (administrative and support services) component size to direct component size and to demand. In terms of public education this means that in a time of decline, the proportionate decrease in the size of the teaching force (direct component) will not be matched by a similar loss in the number of administrators and support staff. Unfortunately, there are a limited number of time-points included in this analysis, but it does go beyond most of the empirical literature in this area which is based solely on cross-sectional analysis.

Goettel, Robert J. and Firestine, Robert E., "Declining Enrollments and State Aid: Another Equity and Efficiency Problem," Journal of Education Finance, Vol. 1. Fall 1975, pp. 205-215.

This article focuses on the fiscal implications of school enrollment decline and on the role of the states in assisting local school districts to cope with the problem. The authors point out that enrollment declines seem to be most severe in those districts already seriously affected by fiscal pressure and community problems, and that it is also these same districts which will experience the greatest increase in the proportion of pupils requiring high cost services. The authors propose several ways that state aid can be allocated based on both the degree and longevity of decline.

Hannaway, M. Jane, Administrative Intensity: The Effect of Federal Funding on California School Districts, Annual Meeting of the American Education Research Association, April, 1977.

This study estimates the effect of external funding, over time, on administrative intensity in 823 California school districts. The study was undertaken for a number of reasons. First, the growth of administrative structures, especially in public organizations, is of growing concern to taxpayers and public officials. Second, local school administrators have been complaining about the increasing paperwork burden associated with administering categorical programs.

Although the data do not allow a direct assessment, the author does estimate how the amount of external funding affects the size of administrative structures. Third, a recent study (Freeman and Hannan, 1975) found that the process relating the sizes of organizational components differed during growth and decline. More specifically, they found that the size of the teacher staff varied systematically with increases and decreases in enrollment, but that the size of the administrative staff did not. In declining districts, there was a lagged relationship between decreases in enrollment and reduction of administrative staff. This study follows-up by asking whether resources are used differently during periods of growth and decline to support administrative structures. The model used in the analysis is a respecification of the basic model developed by Freeman and Hannan (1975). Growing districts and declining districts are analyzed separately. Generally, the findings show that federal funding leads to a substantially greater number of administrators, per dollar amount of support, than state or local funding. They also show that the effect of financial resource variables on the number of administrators is considerably different in declining districts than in growing districts.

Hickrod, G. Alan, Thomas Wei-chi Yang, Ramesh Chandhari, Ben C. Hubbard, Enrollment Change and Educational Personnel Change in the K-12 Schools of Illinois. A supplement to the Report of the Illinois Task Force on Declining Enrollments, Illinois Office of Education, March 1976. Research Report 3-HYCH--76, Center for the Study of Educational Finance, Department of Educational Administration, Illinois State University, Normal, Illinois.

Using data from a majority of school districts in Illinois (though excluding Chicago), this study analyzes enrollment changes from 1970/71 to 1974/75 and staff changes for the period 1969/70 to 1974/75. The researchers found that the factor most likely to distinguish districts with declining as opposed to rising enrollments was family income. The greater the percentage of families with incomes over $15,000, the greater the liklihood that a school district showed an increase in enrollment during this period. On the other hand, districts with declining enrollments were also those with increased percentages of Title I eligibles. It was also found that higher average teacher salaries, enrollment decline, and staff reductions were greater in urban districts in Illinois than in suburban areas. In addition, it was found that administrators and support staff have not been decreased proportionately as pupil enrollments have decreased, and as the size of the classroom teaching force has been decreased.

The authors make a number of recommendations to modify Illinois' present grant-in-aid system so as to help those districts most affected by enrollment decline. For example, they recommend a change in Title I weighting as a response to the problem of declining enrollments in urban districts and to the changes in clientele in these districts.

Illinois Task Force on Declining Enrollments, Illinois Office of Education.

Composed of teachers, administrators, university and Board of Higher Education staff, representatives of educational associations and the Illinois Office of Education, this task force was asked to develop recommendations to aid the state and local school districts in solving the economic problems accompanying declining enrollments. The task force made a number of recommendations for what can be done at the state level to assist local school districts. Among them are: 1) a slow-down, for a time, in the rate of claimable pupil loss for general state aid purposes; 2) provision of technical assistance by the State Office of Education to local school districts in making enrollment projection and, 3) regulation by the Board of Higher Education of the number of teachers trained in Illinois public institutions.

Keough, William F., Jr., "Early Warning Signs of An Enrollment Drop,", School Management, Vol. 18, No. 7, August-September 1974, pp.32, 36-27, 42.

Keough argues against sole reliance during periods of decline on the Cohort-Survival method for predicting enrollments. In the past, school districts have assumed that the percentage of live births in any given year who appear as kindergartners five years later, averaged over a four or five-year period, will provide a measure of enrollment in any future given year. Keough believes, that while such a technique is realiable enough in a period of growth, the more subtle indicators proposed by Sargent and Handy (see below) are much more appropriate in a time of decline. He then lists a number of questions which school district administrators can ask in attempting to determine the magnitude of potential enrollment drops.

Martin, R. and McCartney, R.J., "Education's Big Boom Is Ending, but Studies to Get More Diverse," Wall Street Journal, April 8, 1976.

Based on the predictions of a number of educational experts, this article summarizes expected developments in education over the next twenty-five years. Although the traditional school-age population will decline, these experts believe that public education will expand beyond formal academic schooling. Life-long education will gradually become the norm and students will stay in school longer, but intersperse formal schooling with job experience. "Learning centers" will be located in public buildings, offices, and factories. Additionally, in an effort to increase educational "productivity," more electronic teaching aids will be used.

Mayhew, Lewis, B., Educational Leadership and Declining Enrollments, McCutchan Publishing Corporation, Berekely, 1974.

This book is the result of discussion among faculty members and a conference held at the School of Education, Stanford University on the training of educational administrators in a time of decline. The participants speak of education as a declining industry. They note that declining industries possess common characteristics. As growth slows, managers and administrators tend to age and incumbents remain in positions longer. Long tenure, especially in the face of dwindling resources, tends to produce lower morale and incumbents, faced with an oversupply of qualified younger applicants, guard their positions tenaciously.

The Stanford response in terms of a training program for school administrators has been to establish a school of applied social science research. The required core curriculum includes courses in policy analysis, decision science, and quantitative skills. At the same time, however, the faculty has tried to place new emphasis on the Ed. D. degree for practitioners and to arrange for paid internships together with a correlated seminar. The Stanford authors admit that the kind of program they are implementing may be inappropriate for state schools with considerable extension and service responsibilities. On the other hand, they feel all schools could benefit from making a clear distinction between the Ph.D. and the Ed. D. degree; from emphasizing quantitative skills; and above all, from limiting enrollment.

National School Boards Association, "Declining Enrollment," Research Report 1976--1, Evanston, Illinois, 1976.

The first part of this report summarizes the reasons for declining enrollment and how decline differs, depending on local district characteristics. The second part is, in effect, a handbook for school districts to use in forecasting enrollments and in responding to the effects of decline. Particularly important are the sections on building community support and on criteria for deciding whether or not to close a school or convert it to other uses.

Rodekohr, Mark, "Adjustments of Colorado School Districts to Declining Enrollments," report submitted to the IBS Subcommittee on Academic Disciplines of the Study Commission on Undergraduate Education and the Education of Teachers, University of Nebraska, September 1974.

This analysis is based on aggregate data from all school districts in Colorado and on survey data from seventy-three Colorado districts which experienced declining enrollment during the decade of the 1960's. In addition, five case studies, each exhibiting a different type of decline, are included in the analysis. The author makes three particularly interesting conclusions: 1) many superintendents in districts that had suffered decline were unaware of this trend and actually denied it, 2) declining school districts seemed to have a higher quality of education than expanding ones, and 3) the larger the district undergoing decline, the better the chance it seemed to have at making a successful adjustment. Although this is one of the few large-scale empirical studies of enrollment decline, it may have limited applicability because most of the declining districts in Colorado are rural. Consequently, it was not possible statistically to control for all rural-related variables in completing the analysis.

Samuelson, Robert, "The New York Effect: An Era of Retrenchment," The New Republic, Vol. 173, No. 24, December 13, 1975, pp. 12-14.

Samuelson argues that New York's crisis can be seen as a catalyst in the growing retrenchment of state and local governments throughout the country. Three diverse, but coincidental trends--the rise of revenue-sharing, the squeeze on real incomes, and demographic changes--are tending to restrain local spending. Consequently, local governments are under far less pressure to spend more for public education, the largest single item in most localities' budgets.

Sargent, Cyril G. and Handy, Judith. Fewer Pupils/Surplus Space: A Report, Educational Facilities Labs, New York, 1974.

This study, one of the most comprehensive analyses of school enrollment decline, is organized into two parts. The first, using demographic data, attempts to project enrollment trends. The second, based on personal interviews in one hundred districts chosen at random in forty states and on questionnaire responses from twenty-five large districts, deals with district responses to shrinking enrollments and surplus classroom space.

The authors outline quite a few indicators of local mobility (e.g. urban renewal actions, housing starts, utility company connections, etc.) which can be used by school administrators to supplement federal census data in making enrollment projections. Sargent and Handy also discuss a number of successful solutions various school districts have used in converting empty schools to other uses. The solutions, which may be most effective in the long-term, are those involving regional cooperation and shared programs and facilities across local-district boundaries. Above all, the authors stress the importance of adequate planning for any school district facing or experiencing shrinkage.

Rombley, William, "Claremont in Furor Over Decision to Close Oldest Grade School," Los Angeles Times, January 12, 1976.

Community controversy over the closing of an elementary school in Claremont, California indicates what can happen if such closings are allowed to turn into political issues. The school closing in Claremont has become a symbol of community cleavages focused on traditional vs.

progressive education and the interest of new vs. long-time residents. The school board failed to involve the community in planning for reduced enrollments and consequently, finds itself being sued and some of its members threatened with a recall election.

APPENDIX 2

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APPENDIX 3

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